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DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS

FOR

HARBOR GATEWAY CENTER,
INDUSTRIAL TRACT PARCEL

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EXHIBIT LIST

- Exhibit "A" Map of the property known as Harbor Gateway Center
- Exhibit "B" Map and legal description of the Industrial Tract Parcel and map of Retail Tract Parcel
- Exhibit "C" Map and legal description of real property that is subject to Project Monument Easements
- Exhibit "D" Map and legal description of the north side of Francisco Street that is covered by the Street Tree Covenant
- Exhibit "E" Copy of Sections 12 21 1A 5 and 12 21 1B4 of the Los Angeles Municipal Code

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS**

FOR

**HARBOR GATEWAY CENTER,
INDUSTRIAL TRACT PARCEL**

This Declaration of Covenants, Conditions and Restrictions is made as of the 2nd day of August, 1999 by Boeing Realty Corporation, a California corporation ("Declarant"), as Owner in fee simple of the Harbor Gateway Center, Industrial Tract Parcel, hereinafter described

PREAMBLE

(a) Declarant is the Owner of approximately 143 acres within an approximately 170 acre development located in the Harbor Gateway community of the City of Los Angeles, County of Los Angeles, State of California commonly known as Harbor Gateway Center ("Center") as shown on Exhibit "A" attached hereto. Declarant's approximately 143 acres constitute the portion of the Center which Declarant intends to develop as an office and industrial park (the "Industrial Tract Parcel"), which portion is more particularly shown on Exhibit "B" attached hereto and legally described on Exhibit "B-1" attached hereto. The remaining approximately 27 acres comprises the portion of the Center which is to be developed as a first-class retail shopping center (the "Retail Tract Parcel"), which portion is shown on Exhibit "B-2" attached hereto.

(b) On December 30, 1998, Declarant sold the Retail Tract Parcel to Vestar Development Co., an Arizona corporation, subject to, inter alia, that certain Declaration of Easements, Covenants, Conditions and Restrictions recorded on December 30, 1998, in the Recorder's Office of Los Angeles County as Instrument No. 982372366 (the "Center CC&Rs"). The Center CC&Rs were recorded against and affect the entire Center, including the Retail Tract Parcel and the Industrial Tract Parcel.

(c) This Declaration of Covenants, Conditions and Restrictions governs all property within the Industrial Tract Parcel, and is intended to create easements, covenants, conditions and restrictions on the Industrial Tract Parcel which are in addition to, but not inconsistent or in conflict with, those set forth in the Center CC&Rs. As set forth in Article XIII hereof, Declarant may at any time in the future assign to the Association (as hereinafter defined) any of the easements or other rights of Declarant under the Center CC&Rs or any of Declarant's obligations under the Center CC&Rs.

(d) Declarant intends to subdivide and develop the Industrial Tract Parcel as a mixed-use complex with the following major components.

(i) Approximately 441,988 square feet of commercial office development, and

(ii) Approximately 2,703,012 square feet of industrial park development.

(e) The Industrial Tract Parcel is to be constructed in accordance with conditions established in the Tentative Tract Map, and with the Entitlements, Governing Documents, and Rules, all as hereinafter defined

Declarant intends that initial improvements be constructed and uses be permitted within the Industrial Tract Parcel which will in all respects harmonize with and complement any future improvements and uses within the Industrial Tract Parcel. Further, because the development of a substantial portion of the Industrial Tract Parcel is, as of the date of this Declaration, as yet unplanned, Declarant has crafted this Declaration with the express purpose of retaining flexibility with respect to such future development, including, without limitation, by reserving rights to (a) obtain public infrastructure financing and (b) to modify the land uses in the Industrial Tract Parcel in furtherance of such future development

In light of and in conjunction with the foregoing, it is the desire and intention of Declarant that this Declaration (a) provide a means to ensure and enforce proper development and use of the Industrial Tract Parcel, as a "Planned Development" within the meaning of Section 1351(k) of the Act (as hereinafter defined), (b) provide for the Common Area (as hereinafter defined) and the maintenance and preservation thereof, (c) provide for the establishment and maintenance of common services and amenities for the Industrial Tract Parcel, (d) prevent the construction of haphazard, improperly designed or inharmonious improvements and (e) in general provide for high quality improvements within the Center in accordance with a general plan of improvement and development

In furtherance of the above desires and intentions for the preservation of the values and amenities in the Industrial Tract Parcel, and in fulfillment of the conditions for approval of the Tentative Tract Map, Declarant has deemed it desirable to create a corporation to which shall be delegated and assigned the powers of maintaining and administering the Common Area for the common use and enjoyment of the Owners (as hereinafter defined), administering and enforcing the covenants, conditions and restrictions set forth herein and, upon an assignment thereof of Declarant's interest therein to the Association pursuant to Article XIII hereof, certain easements, rights and obligations of Declarant set forth in the Center CC&Rs, collecting and disbursing the assessments and charges hereinafter created and performing such other acts as shall generally benefit the Industrial Tract Parcel,

Harbor Gateway Center Property Owner's Association (the "Association"), a non-profit corporation, the members of which shall be the respective Owners of Lots (as hereinafter defined) subject to Assessment (as hereinafter defined) has or will be incorporated under the Laws of the State of California for the purpose of exercising the powers and functions stated above

It is further the desire and intention of Declarant to sell some or all of the Lots comprising the Industrial Tract Parcel and to impose upon all such Lots the following mutual and beneficial covenants, conditions and restrictions for the benefit of all of the Lots within the Industrial Tract Parcel

NOW, THEREFORE, Declarant hereby declares that all of the Lots within the Industrial Tract Parcel are held and shall be held, conveyed, hypothecated, encumbered, leased, used, occupied and improved subject to the following covenants, conditions and restrictions, all of which are declared and agreed to be equitable servitudes in furtherance of a plan for the subdivision, improvement, and sale of all of the Lots within the Industrial Tract Parcel, and are established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness of every part of the Industrial Tract Parcel. All such covenants, conditions and restrictions shall run with all of the Lots within the Industrial Tract Parcel and each part thereof, and shall be binding and shall be for the benefit of, Declarant and each Owner of each Lot within the Industrial Tract Parcel or any right title or interest therein or any part thereof, and all of their heirs, successors and assigns. All of such covenants, conditions and restrictions are made for the direct mutual and reciprocal benefit of each and every Lot and every portion thereof, and shall create reciprocal rights and obligations and privity of contract and estate between the respective Owners of all the Lots and their heirs, successors and assigns; provided, however, that notwithstanding any other provision of this Declaration, such covenants, conditions and restrictions shall be enforceable by Declarant only for so long as Declarant or an entity controlling, controlled by, or under common control with Declarant owns any Lot.

ARTICLE I

DEFINITIONS

The terms defined in this Article I shall, for all purposes of this Declaration, have the meanings herein specified.

1.1. "Act" shall mean and refer to the Davis-Stirling Common Interest Development Act, California Civil Code Sections 1350 et seq., as hereafter amended, and any successor statute or statutes thereto.

1.2. "Articles" shall mean and refer to the Articles of Incorporation of the Association, as they may from time to time be amended, modified or supplemented.

1.3. "Assessments" shall mean and refer to Regular Assessments, Special Assessments and any other dues, fees, penalties, fines, charges, interest and other amounts (including each installment thereof) payable by any Owner to the Association as provided herein.

1.4. "Association" shall mean and refer to the Harbor Gateway Center Property Owner's Association, a California nonprofit mutual benefit corporation, its successors and assigns.

1.5. "Board" shall mean and refer to the Board of Directors of the Association.

1.6. "Building" shall mean and refer to any occupiable structure constructed on any Lot in the Industrial Tract Parcel.

1.7. "Bylaws" shall mean and refer to the Bylaws of the Association, as they may from time to time be amended, modified or supplemented.

1.8. "Center" shall mean and refer to that property shown on Exhibit "A" attached hereto, and by this reference incorporated herein, which is more commonly known as Harbor Gateway Center

1.9. "Center CC&Rs" shall mean and refer to the Declaration of Easements, Covenants, Conditions and Restrictions for the Center, recorded on December 30, 1998, in the Recorder's Office of Los Angeles County as Instrument No 982372366

1.10. "City" shall mean and refer to the City of Los Angeles, State of California

1.11. "Common Area" shall mean and refer to all real and personal property owned or to be owned by the Association for the common use and enjoyment of the Owners; all real property over which the Association owns or will own an easement or other rights for maintenance or other purposes or which the Association is otherwise required to maintain as provided herein, and all real property over which any State agency, the County, the City, or any public utility has granted or will grant an encroachment or similar permit to the Association for maintenance or other purposes. The Common Area shall include, without limitation, such property and rights as follows:

(a) Exclusive easements in perpetuity hereby established over, upon, across and under the parcels of land shown as parcels "C-1," "C-2," "C-3" and "C-4" on Exhibit "C" attached hereto for the purpose of installing, constructing, repairing and replacing thereon monuments or signs relating to the entire Industrial Tract Parcel or the Center (the "Project Monument Easements"), provided, however, that.

(i) Declarant shall have the right from time to time to relocate the Project Monument Easements to different locations within the general vicinity of the Industrial Tract Parcel, in which case, at Declarant's sole discretion and with notice to the Association, the Association's rights in the Project Monument Easements shall thereafter remain or not remain a part of the Common Area, or shall remain in part a portion of the Common Area of the Association and become in part a portion of the common area of one or more other associations (in which case the Association and such other associations shall have such joint rights of access thereto and joint obligations of maintenance, repair and replacement thereof as Declarant may from time to time specify with notice to the Association); and

(ii) If at any time and for any reason Declarant shall determine in its sole discretion that Declarant or any designee of Declarant requires or desires to withdraw the Project Monument Easements for any purpose, then promptly upon its receipt of notice to that effect from Declarant, the Association shall quitclaim all of its right, title and interest in the Project Monument Easements to Declarant or any designee of Declarant, by a quitclaim deed satisfactory in form and content to Declarant or such designee

(b) Such portions of any Lot as Declarant may from time to time specify to be used as transportation facilitation areas ("Transportation Facilitation Areas") Such Transportation Facilitation Areas may be designated, without limitation, for such uses as:

multi-modal transportation center, the uses for which may include bus stops, taxi-limousine stands, and public waiting areas, preferred parking spaces for car-pool users, and bicycle parking.

Upon receipt of notice from Declarant of Declarant's desire to specify such a Transportation Facilitation Area, the applicable Owner shall promptly either

(i) Grant or dedicate in fee or grant an exclusive easement over such Transportation Facilitation Area to the City or other appropriate government authority, provided, however, that if such governmental entity thereafter at any time so desires, such Transportation Facilitation Area shall be maintained by the Association pursuant to an encroachment or similar permit obtained from such governmental authority and all costs thereof shall be included in Common Expenses, or

(ii) Grant such Transportation Facilitation Area to the Association in fee or grant an exclusive easement over such Transportation Facilitation Area to the Association for the purposes of maintenance, repair and use as a Transportation Facilitation Area. In either event the Transportation Facilitation Area shall be included in the Common Area

(c) Such portion of any Lot as Declarant may from time to time specify to be used as a pedestrian walkway or pedestrian bridge ("Pedestrian Walkway") Upon receipt of notice from Declarant of Declarant's desire to specify such a Pedestrian Walkway, the applicable Owner shall grant such Pedestrian Walkway to the Association in fee or grant an exclusive easement over such Pedestrian Walkway to the Association for purposes of construction, maintenance, repair and use as a Pedestrian Walkway The Pedestrian Walkway shall be included in the Common Areas The cost of construction of such a Pedestrian Walkway shall be paid by a Special Assessment (as hereinafter defined)

1.12 "Common Expenses" shall mean and refer to the actual and estimated costs of

(a) Maintenance, management, operation, repair and replacement of the Common Area including, without limitation, the cost of parts and supplies, utilities, landscaping, cleaning, pest control, and hiring of any outside contractor services,

(b) Unpaid Assessments;

(c) Management and administration of the Association including, but not limited to, compensation paid by the Association to managers, accountants, outside auditors, attorneys, consultants and employees,

(d) Casualty, liability, workers, compensation, fidelity and directors, and officers, liability insurance,

(e) Any other insurance obtained by the Association,

(f) Reasonable reserves as provided herein or as deemed appropriate by the

Board.

- (g) Bonding of the Directors, officers of the Association, any professional managing agent or any other Person handling the funds of the Association;
- (h) Taxes paid by the Association,
- (i) The discharge of any lien or encumbrance levied against the Common Area or any portion thereof, provided, however, that such lien or encumbrance is secured solely by or applies solely to the Common Area or any portion thereof,
- (j) Any licenses or permits needed for the Common Area,
- (k) Amounts paid in developing, coordinating, monitoring and enforcing the TDM Program, as defined in Section 1 43 hereof,
- (l) Contracting with an outside agency or organization for the provision of a security force to patrol and protect all Common Areas and such other portions of the Industrial Tract Parcel as the Board may designate,
- (m) Obligations incurred by committees established by the Board, and
- (n) In the event that Declarant assigns to the Association its rights and obligations under the Street Tree Covenant (as defined in Section 1 18(d) hereof), all costs and expenses incurred by the Association in exercising such rights and fulfilling such obligations
- (o) Other expenses (i) incurred by the Association for any reason whatsoever in connection with the Common Area or in connection with any other item or items designated by the Governing Documents or (ii) incurred in furtherance of the purposes of the Association or in the discharge of any duties or powers of the Association.

1 13 "Declarant" shall mean and refer to Boeing Realty Corporation, a California corporation, and such of Declarant's successors and assigns to all or a portion of the special rights, preferences and privileges reserved by or granted to Declarant in this Declaration, as may be designated a "Declarant" in a recorded instrument executed by Declarant

1 14 "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions for Harbor Gateway Center, Industrial Tract Parcel as it may from time to time be amended, modified or supplemented. Such amendments, modifications and supplements are hereby incorporated herein and made a part hereof.

1 15 "Design Guidelines" shall mean and refer to those certain Harbor Gateway Association Design Guidelines heretofore adopted by Declarant, and any and all other design criteria adopted by Declarant for the Buildings and other Improvements, as they may from time to time be amended, modified or supplemented. The Design Guidelines are incorporated herein by this reference.

1 16 "Design Review Committee" shall mean and refer to the committee described in Section 4.3 hereof.

1.17 "Directors" shall mean and refer to the directors of the Association who together constitute the Board.

1 18 "Entitlements" shall mean and refer to all governmental, special district and public utility approvals, decisions, resolutions, ordinances, permits, agreements, conditions, requirements, exactions, entitlements, reports, maps, plans and orders, heretofore or hereafter from time to time adopted, amended, modified or supplemented, expressly governing, affecting or relating to the organization, zoning, use, development, improvement, operation or ownership of the Industrial Tract Parcel, or any portion thereof, including, without limitation, the following as now, in most cases, recorded, and as from time to time amended in accordance with the applicable provisions contained therein:

- (a) The Tentative Tract Map,
- (b) Conditional Use Permit No. ZA 97-0327 (CUB) (CUZ) allowing floor area ratio averaging for the Industrial Tract Parcel,
- (c) That certain Covenant and Agreement regarding compliance with Condition No. 12 of the Tentative Tract Map regarding a Mitigation Monitoring and Report Program satisfactory to the Advisory Agency that incorporates all mitigation measures required by the final EIR for the Tentative Tract Map and Conditions Nos. 11a, 11b through e, and 11h through 11t of the Tentative Tract Map, between Declarant and the City of Los Angeles, recorded on August 6, 1998, in the recorder's Office of Los Angeles County as Instrument No. 981375300 (the "MMRP Covenant").
- (d) That certain Covenant and Agreement regarding the City's approval of Declarant's request to plant and maintain trees and other landscaping within, on, through and/or over the public street easements or rights-of-way within or adjacent to the Industrial Tract Parcel, including, without limitation, the north side of Francisco Street as shown and legally described on Exhibit "D" attached hereto, between Declarant and the City, recorded on November 19, 1998, in the Recorder's Office of Los Angeles County as Instrument No. 982124227 (the "Street Tree Covenant").

(e) That certain Declaration of Restrictive Covenants executed by Declarant and recorded on December 30, 1998, in the Recorder's Office of Los Angeles County as Instrument No 982372365.

The Association and each Owner and Occupant shall fully and faithfully comply with and conform to the Entitlements

1.19 "Fiscal Year" shall mean and refer to the fiscal year of the Association, which shall be the calendar year; provided, however, that the Fiscal Year shall be subject to change from time to time as the Board may determine.

1.20 "Governing Documents" shall mean and refer to this Declaration, the Center CC&Rs, the Articles, the Bylaws, the Rules, the Design Guidelines, the Improvements Maintenance Standards and any other documents governing the operation of the Association, the use of the Lots or the Common Area, or the maintenance and repair of the Lots and Improvements, as from time to time amended, modified or supplemented. Each Owner and each Occupant shall fully and faithfully comply with and conform to the Governing Documents

1.21. "Improvements" shall mean and refer to all structures and construction of any kind on any Lot (but excluding any improvements to or on the Common Area), whether above or below the land surface, whether permanent or temporary, including without limitation, Buildings, utility lines, driveways, paved parking areas, pathways, fences, screening walls, retaining walls, plantings, planted trees and shrubs, irrigation and drainage pipes and fixtures, catchbasins or other devices for the collection and/or detention of stormwater runoff, lighting fixtures and signs

1.22 "Improvements Maintenance Standards" shall mean and refer to the standards, if any, adopted by the Board for the maintenance and repair of the exterior of the Buildings and other Improvements on any Lot, as they may from time to time be amended, modified or supplemented. Such Improvements Maintenance Standards are hereby incorporated herein and made a part hereof.

1.23 "Industrial Tract Parcel" shall mean and refer to that approximately 143-acre real property owned by Declarant within the Center as legally described in and shown on Exhibit "B" attached hereto

1.24 "Initial Final Map" shall mean and refer to that certain Tract Map No 52172-02 as filed in Book 1238, Pages 17 through 22, inclusive, of Maps in the Recorder's Office of Los Angeles County on June 2, 1999, as heretofore and hereafter from time to time further amended, modified or supplemented

1.25 "Lot" shall mean and refer to each of Lots 1 through 22, inclusive, as shown on the Initial Final Map and to each of the lots or parcels shown on any future final map recorded against any portion of the Industrial Tract Parcel pursuant to the Tentative Tract Map approval (a "Future Final Map") When used with a designating number (for example, "Lot 1"), "Lot" shall mean the lot with such designating number as shown on the Initial Final Map or any Future Final Map "Lot" shall include any reconfiguration, resubdivision, or reorganization of any Lot resulting from or following finalization of a tentative or final map, parcel map, lot

merger, lot split, lot line adjustment or similar subdivision, land reorganization or approval, or amendment thereto "Lot" shall also include any and all portions of the Industrial Tract Parcel that at any given time are not covered by or included within a Future Final Map. Each "Lot" shall also constitute a "Covered Parcel" under the Center CC&Rs

1.26 "Majority of the Owners" shall mean and refer to more than fifty percent (50%) of the voting power of all the Owners (minus any vote forfeited in accordance with Section 6.3 hereof) who are then subject to this Declaration.

1.27. "Mortgage" shall mean and refer to a deed of trust or mortgage recorded against any Lot or Lots

1.28 "Mortgagee" shall mean and refer to a beneficiary under or holder of a deed of trust or mortgage under a Mortgage recorded against any Lot or Lots

1.29 "Occupancy" shall mean and refer to such time as the City shall issue the first of either a temporary or permanent certificate of occupancy.

1.30 "Occupant" shall mean and refer to, collectively, the Owner and any other Person or Persons entitled, by ownership, leasehold interest or other legal relationship, to the exclusive right to occupy all or any portion of any Lot or Building

1.31 "Owner" shall mean and refer to the Person or Persons holding record fee title to a Lot (including, as applicable, Declarant, but excluding any Person holding such interest merely as security for the performance of an obligation, and further excluding the Association), and their respective heirs, successors and assigns. In the event that the ownership of a Building on any Lot shall ever be severed from the ownership of such Lot, then only the Person holding title to the Lot shall have the rights of an Owner hereunder (including, without limitation, membership in the Association), provided, however, that both the Person holding title to the Lot and the Person holding title to the Building shall be jointly and severally liable for the performance of all duties and obligations of an "Owner" under the Governing Documents. Each "Owner" shall also be a "Covered Parcel Owner" and an "Industrial Parcel Owner" under the Center CC&Rs

1.32 "Permittees" shall mean and refer to all Occupants and all customers, patrons, employees, concessionaires and other business invitees of such Occupants. All "Permittees" shall also be "Industrial Parcel Users" under the Center CC&Rs

1.33 "Person" shall mean and refer to any individual, partnership, corporation, trust, estate or legal entity

1.34. "Project Monument Easements" shall mean and refer to these certain easements over portions of the Industrial Tract Parcel described in Section 1.11(a) of this Declaration

1.35 "Purchase Agreement" shall mean and refer to any written agreement pursuant to which Declarant agrees to sell, convey and transfer to any Person the record fee title to one or more Lots

1.36. "Regular Assessments" shall mean and refer to those Assessments to be charged against any or all Lots as provided in Article VII hereof

1.37. "Retail Tract Parcel" shall mean and refer to that approximately 27-acre real property not owned by Declarant that constitutes the remainder of property within the Center, as shown on Exhibit "B" attached hereto

1.38. "Rules" shall mean and refer to the rules and regulations, if any, adopted by the Board for the operation and use of the Common Area and any other property (whether real or personal) owned by the Association, as they may from time to time be mended, modified or supplemented. Such Rules are hereby incorporated herein and made a part hereof

1.39. "Special Assessments" shall mean and refer to those Assessments to be charged against any or all Lots as provided in Article VII hereof

1.40. "Square Foot," "Square Feet" or "Square Footage" shall mean and refer to square footage as calculated in accordance with Sections 12.21.1A.5 and 12.21.1B.4 of the Los Angeles Municipal Code, a copy of which Sections are attached hereto as Exhibit E

1.41. "State" shall mean and refer to the State of California

1.42. "Tentative Tract Map" shall mean and refer to Vesting Tentative Tract Map No. 52172, including all of the conditions of its approval, which was approved on June 6, 1997 and modified on April 13, 1999 by the Advisory Agency of the City of Los Angeles

1.43. "TDM Program" shall mean and refer to the transportation demand management and trip reduction programs required to comply with the City Ordinance No. 168,700 and South Coast Air Quality Management District Rule 2202 in satisfaction of certain mitigation measures set forth in the MMRP Covenant

1.44. "Transportation Facilitation Area" shall mean and refer to any parcel of land, or part or portion thereof designated by Declarant pursuant to Section 1.11(b) hereof

1.45. "Voting Member" shall mean and refer to, collectively, all the Persons comprising the Owner of any particular Lot, except Lots owned by the Association

ARTICLE II

REGULATION OF IMPROVEMENTS

2.1. Concept

The concept of the Industrial Tract Parcel is to provide for individual Buildings and landscaping on the Industrial Tract Parcel which shall relate to one another through careful site planning and site development, resulting in continuity for the entire Industrial Tract Parcel. Architectural relationships will be provided through attention to the Design Guidelines. Conformance with the Design Guidelines and other criteria imposed by the Design Review Committee as provided herein shall be mandatory.

2.2 Zoning

Development of the Industrial Tract Parcel is and shall be subject to all zoning regulations of the City and other municipal ordinances and regulations applicable to the Industrial Tract Parcel by virtue of the "vesting" status of the Tentative Tract Map, except where more restrictive requirements are imposed by the Entitlements, this Declaration, the Center CC&Rs or the Design Guidelines. Development and ownership of Lots shall further be subject, as applicable, to future land use and environmental matters affecting the Industrial Tract Parcel, as provided in Section 14.4 hereof.

2.3 Minimum Setbacks

The minimum setback shall be as set forth in the zoning regulations of the City, except where more restrictive requirements are imposed by the Design Guidelines.

2.4 Maximum Footprint

The maximum footprint of any building shall be as set forth in the Design Guidelines.

2.5 Completion of Construction

After commencement of construction of any Building or other Improvement, the work thereon shall be diligently prosecuted (within the limitations imposed under the Tentative Tract Map and Section 2.11(a) hereof) such that the Building or other Improvement shall not remain in a partly finished condition any longer than is reasonably necessary for completion thereof.

2.6 Excavation and Drilling

(a) No excavation shall be made except in connection with

(i) The construction of an Improvement; provided, however, that upon completion thereof exposed openings shall be backfilled and disturbed ground shall be graded and leveled,

(ii) The conduct of any environmental site assessment of a Lot or any portion of the Industrial Tract Parcel by a prospective Owner, an Owner, a Mortgagee or prospective Mortgagee, provided, however, that upon completion thereof any exposed openings shall be backfilled and disturbed ground shall be restored to the condition existing prior to the commencement of such activity,

(iii) The conduct of any soils remediation as required by either the California State Department of Toxic Substances Control ("DTSC") or any other federal, state, local or county agency; provided, however, that upon completion thereof any exposed openings shall be backfilled and disturbed ground shall be restored to the condition existing prior to the commencement of such activity.

(b) At no time shall an Owner, Occupant or any other Person drill or permit to be drilled on any Lot any hole or sink any pipe for the purpose of obtaining or removing water, oil, gas, or any minerals or substances from below the surface of the land. except as

(i) required by the State or Regional Water Quality Control Board, or any other substitute or successor agency, DTSC or any other federal, state, local or county agency in an environmental remediation action, or

(ii) in connection with the conduct of any commercially reasonable environmental assessment of a Lot or portion of the Industrial Tract Parcel by any prospective Owner, an Owner, a Mortgagee or prospective Mortgagee

27 Landscaping and Irrigation

In addition to the provisions of Section III A 5 of the Center CC&Rs, the following landscaping restrictions shall apply to all Lots within the Industrial Tract Parcel

(a) Every site on which a Building shall have been placed shall be landscaped and irrigated as described in the Design Guidelines and in accordance with plans submitted to and approved by the Design Review Committee. Such landscaping and irrigation shall thereafter be kept and maintained in accordance with this Declaration, the Entitlements and the Improvements Maintenance Standards

(b) Landscaping and irrigation systems, as approved by the Design Review Committee, shall be completed (with respect to each such Building) within sixty (60) days of Occupancy or completion of a building shell on any Lot, whichever occurs first, unless a written extension of time has been granted by the Design Review Committee

(c) Landscaping and irrigation equipment, supplies and above-surface pipes and installations shall be screened as required by the Design Guidelines, except as otherwise required or permitted in writing by the Design Review Committee

(d) All planting and irrigation installations shall be maintained in a neat and orderly fashion. In the event the Design Review Committee determines that any Lot is not being properly maintained, correction work shall be accomplished within thirty (30) days of receipt of notice from the Design Review Committee of any directions with regard to maintenance

(e) The following criteria shall be deemed minimum maintenance standards

(i) All planting areas shall be kept reasonably free of leaves and debris,

(ii) Lawns and ground cover shall be mowed and/or trimmed regularly,

(iii) All plantings shall be kept in a healthy and growing condition. Fertilization, cultivation, weeding, spraying, trimming and pruning shall be performed as part of a regular maintenance program.

(iv) Stakes, guys and ties on trees shall be checked regularly to ensure the correct function of each. Ties shall be adjusted regularly to avoid creating abrasions or girdling of trunks or stems,

(v) Damage to plantings caused by vandalism, automobiles, acts of nature, or any other cause shall be corrected by the individual Lot Owner within thirty (30) days of occurrence to the condition as such plantings were in immediately before the damage occurred. All types and sizes of plantings visible from public rights of way or the Common Area shall be approved by the Design Review Committee, and

(vi) Irrigation and drainage systems shall be kept in proper working condition. Adjustment, replacement of malfunctioning parts and cleaning of systems shall be performed as part of a regular maintenance program

(f) As contemplated by Section 5 3(e) hereof, Declarant or the Association may install landscaping strips and associated drainage and irrigation systems (including, without limitation, landscape wiring and conduits) on all or certain of the Lots, which installation may occur prior to or following the original conveyance of each such Lot from Declarant. In certain instances, such drainage and/or irrigation systems may carry water to and from other Lots. Each Owner and Occupant shall at all times use its best efforts to avoid disturbing or damaging any such landscaping and drainage and irrigation systems located on its Lot, and shall be responsible for all costs, damages and liabilities incurred by Declarant or the Association arising out of such disturbance or damage. No such landscaping or drainage or irrigation systems shall be disturbed, damaged, moved or modified without the prior written consent of the Design Review Committee. If the Design Review Committee gives such consent, then the Owner or Occupant obtaining such consent shall be entitled to disturb, damage, move or modify such landscaping and drainage and irrigation systems only to the extent of and in accordance with such consent, and shall bear the full cost thereof, including, as determined by the Design Review Committee, all replacement, relocation and/or repair costs connected therewith. Notwithstanding the easement granted to the Association under Section 5 3(e) hereof, each Owner shall be responsible for, and shall bear, the costs of maintaining and repairing any such landscaping and drainage and irrigation systems located on its Lot

2 8 Signs

In addition to the provisions of Section III A 4 of the Center CC&Rs, the following sign restrictions shall apply to all Lots within the Industrial Tract Parcel

(a) Signs must comply both with the zoning regulations of the City applicable under the "vesting" status of the Tentative Tract Map, and the criteria established by the Design Guidelines

(b) Except with respect to any signs or monuments erected by the Declarant or the Association on a Project Monument Easement, no billboard, display, identification, monument or advertising sign shall be permitted on any Building or Lot, other than the following

- (i) Those identifying the name and business products of the Occupant of the premises,
- (ii) Those offering the premises for sale or lease,
- (iii) Those identifying the names of the businesses engaged in construction upon the Lot

(c) All such billboards, displays, identifications, monuments and advertising signs shall be only of such size, design and color as shall have been specifically submitted to and approved by the Design Review Committee in writing prior to the erection or installation of said billboard, sign, display, identification, monument, or advertising sign

(d) Notwithstanding the foregoing, Declarant shall be entitled to place upon any Lot owned by Declarant or an affiliate of Declarant such offices and signs as Declarant shall reasonably deem necessary or convenient in connection with Declarant's (or any affiliate of Declarant's) marketing and selling of the Lots

2 9 Storage and Loading Areas and Service Entrances

In addition to the provisions of Section III A 3 of the Center CC&Rs, the following restrictions on storage and loading areas and service entrances shall apply to all Lots within the Industrial Tract Parcel

(a) No materials, supplies or equipment shall be stored in any area on any Lot except inside a closed building, or, if approved in writing by the Design Review Committee, behind a visual barrier screening such areas from the view of any public street

(b) Loading areas shall not encroach into setback areas unless specifically approved in writing by the Design Review Committee.

(c) Loading docks shall be set back and screened and/or recessed to minimize the visual effect from the street. Loading docks shall not encroach upon or extend into setback areas. Loading will not be permitted in the setback area fronting the street, except as permitted in writing by the Design Review Committee. In no event, however, will loading areas, docks or facilities be located or designed so as to necessitate backing maneuvers by vehicles into or on public streets

(d) The number and type of service entrances required in each building shall be as set forth in the Design Guidelines.

2 10. Exterior Lighting

(a) All exterior lighting, including, without limitation, the location, design, type and size thereof, is subject to the written approval of the Design Review Committee and shall conform to the Design Guidelines

(b) Each Owner is encouraged to obtain from the Design Review Committee, at such Owner's expense (and to provide to the Occupants of his Lot, as applicable), a copy of the surface street lighting system plans for the Industrial Tract Parcel, to assist in evaluating overall site lighting needs.

(c) Exterior lighting shall be adequately controlled to prevent glare and undesirable illumination of other Lots and public streets

(d) Parking area lighting and walkway and landscape feature lighting are encouraged as necessary and desired for safety and aesthetic purposes, provided, however, that all standards, fixtures and design criteria for such lighting shall be subject to the approval of the Design Review Committee

2 11 Construction Regulations and Restrictions

(a) Construction activities (except for construction of interior tenant improvements), shall be conducted between the hours of 7 00 a m and 9 00 p m only

(b) All Improvements shall conform to the Design Guidelines including, without limitation, all building orientation, and building massing, unless an exemption has been specifically approved in writing by the Design Review Committee All Improvements shall in any case conform to the Entitlements and all applicable City and other local, State and federal laws, statutes, rules and regulations.

(c) No mechanical equipment, apparatus or antenna shall be placed above the roof line (which shall be measured by the roof curb or parapet) of any Building, unless an exemption has been specifically approved in writing by the Design Review Committee

(d) All exterior building materials used in the construction of any Improvement are subject to the written approval of the Design Review Committee

2 12 Stormwater Controls

All fully developed Lots shall be designed, and shall contain as part of the Improvements constructed thereon, such catchbasins or other devices for the collection and/or detention of stormwater runoff as may be necessary to ensure that the maximum peak discharge of stormwater runoff from such Lots shall not exceed one (1 0) cubic foot per second per acre All such catchbasins and other devices shall be maintained by the Owner or Occupant of the Lot where such catchbasins and other devices are located Such catchbasins and other devices located on the Common Area shall be maintained by the Association The purpose of such catchbasins and other devices is to collect and/or detain stormwater runoff, no other substance shall be permitted therein

2 13 Telecommunications Infrastructure

Declarant may enter into one or more agreements ("Communications Agreements") with providers of telecommunications technology and services, including without limitation cable television services ("Communications Companies") requiring Communications

Companies to install certain telecommunications facilities on and under the Industrial Tract Parcel and to make telecommunications services available to the Lots, provided, however, that Declarant has no obligation to bind any Communications Company to prewire any commercial or industrial unit or other structure constructed upon the Industrial Tract Parcel. Any prewiring of a Building on a Lot and connection of such Building to the main telecommunications line shall be accomplished by the Owner or Occupant of such Lot in conjunction with the applicable Communications Company and subject to the applicable Communications Agreement, and Declarant shall have no responsibility or liability in connection therewith.

2.14 Utilities

Hookups for water (including, without limitation, hookups to existing or hereinafter constructed waterlines of the City of Los Angeles Department of Water and Power), sewer, gas and electricity, whether to main lines running under the public right of way or otherwise, shall be the sole responsibility of the Owner or Occupant of each Lot, and Declarant shall have no responsibility or liability in connection therewith.

ARTICLE III

REGULATION OF OPERATIONS AND USES

3.1 Permitted Uses

(a) Unless limited or otherwise prohibited herein, by the Center CC&Rs, by the Entitlements, or by covenant, deed or lease, any lawful use of a Lot will be permitted if it is performed or carried out entirely within a completely enclosed and roofed building that is so designed and constructed that the enclosed operations and uses do not and will not cause or produce a nuisance or disturbance to Persons and activities on other Lots and the public streets, including, but not limited to, vibration, sound, odor, electro-mechanical disturbance and radiation, electromagnetic disturbance and radiation, air or water pollution, dust and emission of odorous, toxic or nontoxic matter.

(b) Upon notice to the Design Review Committee, reasonable exceptions to the provisions of Paragraph (a) of this Section 3.1 shall be made during reasonable periods of time when the breakdown of equipment occurs, provided, however, that such breakdown was not reasonably preventable.

(c) Each Owner shall have the right to lease all or any part of his Lot, provided, however, that all such leases shall be in writing and shall contain provisions.

(i) stating that the lease is subject in all respects to the Governing Documents,

(ii) stating that any failure of the lessee to comply with each of the provisions of the Governing Documents shall constitute a default under such lease,

(iii) stating that each lessee must develop an active recycling program to reduce solid waste, and must participate in any such program developed by

Declarant, the Association, the Owners, or any local municipalities or governmental agencies; and

(iv) stating, using the following language, "Tenant agrees that it will use its best efforts to cooperate in programs which may be undertaken by Landlord independently, or in cooperation with local municipalities or governmental agencies or other property Owners in the vicinity of Harbor Gateway Center to reduce peak levels of commuter traffic. Such programs may include, but shall not be limited to, carpools, vanpools and other ride sharing programs, public and private transit, and flexible work hours."

(v) stating that each Building within the Industrial Tract Parcel must employ a person to act as a transportation coordinator under the TDM Program, and that each lessee is responsible for a proportionate share of the cost of such employee

3.2. Restrictions and Prohibited Uses

The Industrial Tract Parcel shall not be used or developed in any way which is inconsistent with the Center CC&Rs or any other Entitlements.

3.3. Certain Nuisances

In addition to the provisions of Section III A.7 of the Center CC&Rs, the following restrictions on nuisances shall apply to all Lots within the Industrial Tract Parcel:

(a) No nuisance shall be permitted to exist or operate upon any Lot or any portion thereof

(b) No rubbish, trash, waste, residue, brush, weeds, undergrowth, or debris of any kind or character shall ever be placed or permitted to accumulate upon any Lot or any portion thereof, so as to render said premises a fire hazard, unsanitary, unsightly, offensive, or detrimental to any Person or activity on any other Lot or on any public street

(c) No Building or other Improvement shall be permitted to fall into disrepair and all Buildings and other Improvements shall at all times be kept in good condition and repair (including, without limitation, free of the presence of wood-destroying pests and organisms) and adequately painted or otherwise finished. Any and all exterior repairs, redecorations, modifications or additions shall be made in accordance with, and shall be subject to, the Governing Documents, the Entitlements and all applicable statutes, ordinances and governmental regulations, and shall be approved in writing by the Design Review Committee

(d) No condition shall be permitted to exist upon any Lot which shall induce, breed or harbor infectious plant diseases, rodents or noxious insects

(e) No Owner or Occupant shall in any way interfere with the natural or established drainage of water over his Lot from adjoining or other Lots, nor shall any Owner or Occupant in any way interfere with the natural or established drainage of water from his Lot so as to cause or permit water to drain onto, over or under any adjoining or other Lot. In the event it

is necessary to change the natural or established drainage flow over any Lot, then the Owner or Occupant of such Lot shall adequately provide for proper drainage, and such changes shall be approved in writing by the Design Review Committee. For the purposes hereof, "natural" drainage is defined as the drainage which would naturally occur at the time the overall approved grading plan of the Industrial Tract Parcel has been completed by Declarant. For the purposes hereof, "established" drainage is defined as the drainage which occurred or which would occur at the time the overall grading of the Industrial Tract Parcel, including the finish grading of each Lot, was completed.

(f) Unless an exemption has been specifically approved in writing by the Design Review Committee, no antenna or other device for the transmission or reception of television signals or any other form of electromagnetic radiation shall be erected, used or maintained outdoors above ground on any Lot, whether attached to a Building or otherwise. This Section 3 3(f) shall not apply to structures existing or under construction in the Industrial Tract Parcel on the date of recordation of this Declaration.

(g) No tools or equipment and no derrick or other structure designed for use in boring for water, oil, gas or other subterranean minerals or other substances, or designed for use in any mining operation or exploration, shall hereafter be erected or placed upon or adjacent to any Lot, except if such boring is conducted in connection with a commercially reasonable environmental assessment.

(h) No adverse environmental condition shall be permitted to exist on any Lot, nor shall any toxic or hazardous wastes be permitted to be generated, treated, stored, disposed of, or otherwise deposited in or on or allowed to emanate from any Lot or any portion of the Industrial Tract Parcel, including, without limitation, the surface waters and subsurface waters thereof, provided, however, that hazardous substances may be stored or used so long as such storage and use is conducted in compliance with the Entitlements and all applicable laws, statutes, ordinances, rules and regulations of any City, County, State or federal governmental body.

(i) No Owner or Occupant shall in any way interfere with the Association's use of the easements granted to the Association pursuant to Section 5 3 hereof or do any act or thing inconsistent with such use, including, without limitation, by (i) constructing any Building thereon or (ii) permanently or temporarily blocking the view from any Lot or public street of any monument or sign erected thereon.

(j) No Owner or Occupant shall permit anything to be placed in or on any Building which shall cause sunlight glare in excess of that permitted by the Design Guidelines, the Design Review Committee, or any governmental entity with jurisdiction.

(k) Each Owner and Occupant shall affirmatively conserve water on its Lot, and no Owner or Occupant shall use a greater quantity of water than that reasonably necessary for the approved use of its Lot(s).

(l) No Owner or Occupant shall permit anything to be done or kept on his Lot that violates any Entitlement, law, statute, rule or regulation of any City, County, State or Federal governmental body

3 4 Indemnification

Each Owner other than Declarant or any Affiliate of Declarant (as defined in Section 13 1 below), by accepting his deed, and each Occupant, by accepting the right to occupy a Lot, agrees personally and for all its Permittees, to indemnify each and every other Owner and Occupant, the Association, Declarant and their respective heirs, successors and assigns, and to hold them harmless from, and to defend them against any liability, including, without limitation, any claim by any Person for personal injury or property damage, arising out of or connected with the Lot or Lots of that particular Owner or Occupant or any activities conducted thereon; provided, however, that such liability shall have resulted from the acts or omissions of the Owner or Occupant of such Lot or Lots Without limiting the generality of the foregoing, the indemnity provided in this Section 3 4 is expressly intended to include, and shall include, indemnification for any claim or cause of action under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (the "Superfund Act"), the Carpenter-Presley-Tanner Hazardous Substance Account Act, the California Hazardous Waste Control Law, the Porter-Cologne Water Quality Control Act, or any other federal, state or local environmental or other statutes, ordinances, regulations or guidelines, provided, however, that such indemnity shall be limited to liability caused by a hazardous substance placed or permitted to be placed on any Lot or Lots by the Owner or Occupant of such Lot or Lots. Nothing in the foregoing shall limit the rights of any Owner, the Association or the Declarant under relevant State, local or federal law

ARTICLE IV

APPROVAL OF PLANS

4 1. Approval Required

No Improvement shall be commenced, erected, placed, moved, altered, maintained, or permitted to remain on any Lot or any portion thereof until master plans, preliminary plans, final plans, and all other plans, specifications, drawings, designs and other materials required to be submitted under the Design Guidelines have been submitted (in the form and content and with the number of copies required by the Design Guidelines) to and approved in writing by the Design Review Committee Such plans and specifications shall be submitted in writing over the authorized signature of the Owner or Occupant of the Lot or his authorized agent Nothing herein contained shall require submission to or approval by the Design Review Committee of plans and specifications relating to normal maintenance of or alterations to the interior (except the lobby area) of any structure existing or under construction in the Industrial Tract Parcel on the date of recordation of this Declaration Approval by the Design Review Committee of any plans, specifications, drawings, designs or other materials submitted to it shall not be deemed to be approval from the standpoint of structural safety or conformance with the Entitlements or any applicable governmental laws, statutes, ordinances, rules or regulations,

including, without limitation, building codes and all applicable handicapped and disabled persons accessibility requirements such as the Americans with Disabilities Act of 1990.

4 2. Basis for Approval

Approval by the Design Review Committee shall be based, among other things, on (a) adequacy of site dimensions, (b) conformity and harmony of external design with existing and planned neighboring structures, (c) effect of location of proposed Improvements on neighboring Lots, (d) design of roofscape from the standpoint of view from adjacent areas, (e) proper site orientation with respect to nearby streets and (f) conformity of the plans and specifications to the purpose, general scheme of improvement and development and intent of the Design Guidelines, the Center CC&Rs and this Declaration. The Design Review Committee shall not arbitrarily or unreasonably withhold its approval of such plans and specifications, provided, however, that the Design Review Committee shall at all times be subject to compliance with the provisions of this Declaration, the Center CC&Rs and the Entitlements

4 3. Appointment of Design Review Committee

(a) The Design Review Committee shall be a committee of the Association composed of three (3) individuals who need not be Owners or Occupants. Until such time as the final Improvements have been completed on every one of the Lots (as shown on the plans and specifications for each Lot submitted to, and approved by, the Design Committee), Declarant shall have the right and power to appoint, remove and replace, from time to time, members of the Design Review Committee; provided, however, that such right and power shall continue only for so long as Declarant owns any Lot, and provided further, that Declarant may at any time determine that it no longer desires to control the appointment or removal of such members, whereupon Declarant shall take the actions set forth in Section 11 4 hereof so as to enable the Board to select members of the Design Review Committee

(b) If at any time Declarant shall fail to cause the Design Review Committee to be in existence, then members of the Design Review Committee shall be appointed or removed by the Board, or, if the Board fails to cause the Design Review Committee to be in existence, then members of the Design Review Committee shall be appointed or removed by approval of a Majority of the Owners. Written notice of the appointment or removal of members of the Design Review Committee shall be given by first class mail to each Owner, which notice shall set forth the fact of appointment or removal, the name and address of the Person appointed or removed, and in the case of an appointment, the term of office of the Person appointed

4 4 Time for Approval or Disapproval

All approvals and disapprovals by the Design Review Committee shall be in writing. In the event that the Design Review Committee or its designated representative fails to approve, disapprove or grant an extension of time within which to approve or disapprove any request, plan, specification, design or plot plan within thirty (30) days after the Submittal Date (as that term is defined below in this Section 4 4), then the provisions hereof relating to the approval by the Design Review Committee shall be deemed to have been waived solely as to such plan, specification, design or plot plan, provided, however, that such waiver shall not be

deemed to be a waiver of any other covenant, condition or restriction provided herein. The method for all submittals to the Design Review Committee shall be by the mailing of a certified first class letter via United States Mail, return receipt requested, or by personal delivery to any current member of the Design Review Committee, who shall, within ten (10) business days of receiving said letter, give written acknowledgment of the receipt thereof to the submitting party. For purposes of this Article IV, the "Submittal Date" shall be the date upon which the member of the Design Review Committee receives the submittal, as shown on the writing from such member acknowledging receipt of such submittal

4.5 Presumption of Compliance

Notwithstanding anything to the contrary herein contained, after the expiration of two (2) years from the date of issuance of a building permit by the City for any Improvement, said Improvement shall, in favor of purchasers and encumbrancers in good faith and for value, be deemed to be completed and in compliance with all provisions of this Article IV, unless actual notice of such noncompletion or noncompliance, executed by the Design Review Committee or a designated representative thereof, shall appear of record in the Office of the County Recorder of the County or unless legal proceedings shall have been instituted to enforce such completion or compliance

4.6 Fee

(a) An architectural review fee shall be paid to the Design Review Committee. The amount of such fee shall not exceed the cost incurred by the Design Review Committee and the Association (i) for hiring outside consultants to review such plans, (ii) for reimbursing Declarant for Declarant's staff's time spent and Declarant's out-of-pocket costs in reviewing such plans and (iii) for any other reasonable expenses incurred by the Design Review Committee in connection with its review, analysis and approval of such plans. Such fees shall be paid at such times and in such manner (including, without limitation, partial or full payment in advance, based on the Design Review Committee's estimate of the costs it is likely to incur in connection therewith) as the Design Review Committee may determine

(b) If plans are such that after review they are disapproved as not conforming with the provisions of this Declaration, the Center CC&Rs, the Design Guidelines, the Entitlements, and/or any criteria reasonably imposed by the Design Review Committee, then the subsequent submittal of new or revised plans shall be deemed to be an entirely new submittal, which shall again be subject to the foregoing fee

4.7 Governmental Action

If the plans approved by the Design Review Committee are subsequently required to be modified by City or other governmental action, said revisions shall require the approval of the Design Review Committee as provided in this Article IV. In any event, one complete set of final plans shall be furnished to the Design Review Committee upon approval by the City, and such plans shall be kept on file in the records of the Association in order to assist in ensuring that the Improvements are constructed in compliance therewith. At such time as construction is

completed, one complete set of final "as-built" plans and specifications shall be furnished to the Design Review Committee and kept on file in the records of the Association.

4 8. Estoppel Certificate

Within ten (10) business days after written demand and upon payment of a fee not to exceed the Design Review Committee's reasonable cost to prepare such certificate, the Design Review Committee shall execute an estoppel certificate certifying that as of the date thereof either (a) all Improvements constructed or other work done on a particular Lot for which a set of final "as-builts" plans and specifications are on file, comply with this Declaration or (b) such Improvements or work do not so comply, in which event the certificate shall identify the noncomplying Improvements or work and set forth with reasonable particularity the nature of such noncompliance Any lessee, purchaser or encumbrancer in good faith and for value shall be entitled to rely upon such certificate with respect to the matters set forth therein, such matters being conclusive as between the Design Review Committee and such lessee, purchaser or encumbrancer

4 9 Non-Liability of Design Review Committee Members

Without limiting the generality of Section 8 24 hereof, neither Declarant nor any member of the Design Review Committee shall be liable for damages to anyone submitting plans to it for approval or to any Owner, Occupant or other Person by reason of any (a) mistake in judgment, (b) negligence or nonfeasance arising in connection with the approval or disapproval of any plans, (c) the execution and filing of an estoppel certificate pursuant to Section 4 8 hereof or (d) the performance of any other duties of the Design Review Committee contemplated by this Declaration Anyone who submits plans and specifications to the Design Review Committee shall be deemed to have agreed by submission of such plans and specifications, and every Owner and Occupant by acquiring title and/or possessory rights to any Lot agrees, that he will not bring any action or suit against Declarant or any member of the Design Review Committee for the recovery of damages by reason of any such approval or disapproval or by reason of any mistake in judgment, negligence or nonfeasance arising in connection with the performance by the Design Review Committee of any duties contemplated by this Declaration In the event the Association shall be held liable with respect to any such approval, disapproval, mistake, negligence or nonfeasance, then the Association shall not be entitled to obtain indemnification or contribution from Declarant or from any member of the Design Review Committee with respect to such approval, disapproval, mistake, negligence or nonfeasance

4 10 Design Guidelines and Improvements Maintenance Standards

The Design Review Committee shall have sole responsibility for the interpretation and implementation of the Design Guidelines and the Improvements Maintenance Standards, and its decisions shall be final, binding and conclusive on all the Owners and Occupants affected thereby Because each Lot is different from every other Lot, the Design Review Committee (a) shall at all times have the right, in its sole but reasonable discretion, on an individual basis, to authorize such variances to the Design Guidelines and/or Improvements Maintenance Standards as it deems necessary, appropriate or convenient and (b) shall not be found to have been unreasonable or arbitrary solely because it has decided differently with respect to different Lots

The granting of such a variance shall not operate to waive any of the terms and provisions of the Design Guidelines or the Improvements Maintenance Standards for any purpose except as to the particular Lot and the particular term or provision thereof covered by such variance, nor shall it affect in any way the Owner's and Occupant's obligation to comply with the Entitlements and all governmental laws, statutes, ordinances, rules and regulations affecting his use of such Lot, including, without limitation, all applicable handicapped and disabled persons accessibility requirements such as the Americans with Disabilities Act of 1990.

4 11 Reimbursement

Each member of the Design Review Committee shall be entitled to reimbursement from the Design Review Committee for reasonable expenses incurred by such member in connection with the performance of any Design Review Committee duty or function. In addition, the Association shall reimburse Declarant for time spent by Declarant's staff and out-of-pocket expenses incurred by Declarant in connection with the performance of Declarant's duties hereunder as well as in connection with any assistance rendered by Declarant to the Association or to the Design Review Committee.

4 12 Existing Structures

Unless specifically otherwise stated, this Article IV shall not apply to structures existing or under construction in the Industrial Tract Parcel on the date of recordation of this Declaration.

ARTICLE V

GRANT OF EASEMENTS

5 1 Easements for the Benefit of Governmental Agencies and Public Utilities

Certain easements have been and may in the future be granted by Declarant to certain local governmental agencies (including the City) or other public or quasi-public entities for public use or other use that includes continued use by Owners and Permittees benefited under the Center CC&Rs pursuant to Article II, Section B of the Center CC&R's.

5 2 Easements for the Benefit of Owners and Occupants and their Permittees

Except as otherwise stated, the following nonexclusive easements are hereby established in perpetuity, for the benefit of all Owners and Occupants of property within the Industrial Tract Parcel and their Permittees: a nonexclusive easement over all Pedestrian Walkways established pursuant to Section 1 11(c).

5 3 Easements for the Benefit of the Association

In addition to the rights of entry and any other rights given to the Association in this Declaration, or assigned to the Association pursuant to the provisions of Article XIII hereof, there are hereby established the following non-exclusive easements in perpetuity for the benefit of the Association, its agents, employees and contractors:

(a) Easements in gross on, over, under or across all portions of the Industrial Tract Parcel for the purposes shown as existing or proposed on any subdivision map for (i) the installation, emplacement and maintenance of electric, telephone, cable television, water, gas, sanitary sewer lines, drainage facilities or any other utilities, together with the right to enter upon the property (without reasonably interfering with Owner's and Occupant's reasonable use and enjoyment thereof) in order to service, maintain, repair, reconstruct, relocate or replace any of such lines or facilities, and (ii) ingress and egress over any public or private Pedestrian Walkways, Transportation Facilitation Area, or other specific designated use areas, if any, and (iii) any other matter required or mandated by any governmental authority with jurisdiction

(b) An easement over, upon, across and under each of the Lots within the Industrial Tract Parcel, to inspect any such Lot to ascertain whether such Lot, the Improvements thereon and the uses thereof are in compliance with the provisions of the Governing Documents, and to abate or remove any Improvement, thing or condition that may exist thereon contrary to the intent and meaning of the Governing Documents

(c) An easement over, upon, across and under all of the property described in or designated by Declarant pursuant to Section 1 11 hereof, to perform the Association's obligations under this Declaration with respect to the maintenance and repair of the Common Area and any improvements thereon, including, without limitation, for access to slopes and drainageways when such access is necessary or desirable for the maintenance or stabilization of slopes or drainage, or both, on the Common Area

(d) With respect to the easements established pursuant to Subsections (a) through (c) of this Section 5 3, the Association shall have the full and free right at all times to enter and re-enter the land thereby encumbered, with or without vehicles or on foot, and to come upon said land as often as it deems reasonably necessary to effectuate the purpose of such easements

(e) An easement over, upon, across and under each of the Lots for (i) planting, replacing and maintaining any such landscaping strips as shall reasonably be designated by Declarant or the Association and (ii) installing, repairing, replacing and maintaining any drainage and/or irrigation systems (including, without limitation, landscape wiring and conduits) upon any such Lot as shall reasonably be designated by Declarant or the Association in connection with such landscaping strips or in connection with landscaping strips on the Common Area or on other Lots

5 4 Easements for the Benefit of Declarant

In addition to the rights of entry and any other rights reserved by or granted to Declarant in this Declaration or in the Center CC&Rs, there are hereby established the following non-exclusive easements for the benefit of Declarant, its agents, employees and contractors which easements shall automatically terminate at such time as Declarant no longer owns any Lot

(a) A non-exclusive easement over, upon, across and under the Common Area for the purpose of completing the Common Area and any construction thereon, provided, however, that (i) such use of the Common Area by Declarant and its agents, employees and

subcontractors shall not unreasonably interfere with the use of the Common Area by the Owners and Occupants, and (11) such easement shall be limited only to the location, scope and size reasonably necessary to accomplish the stated purpose of such easements or to comply with any relevant governmental requirements; and

(b) A non-exclusive easement over, upon, across and under the Common Area for the purpose of maintaining such signs as Declarant shall reasonably deem necessary or convenient in connection with Declarant's marketing of the Lots; provided, however, that (1) such use of the Common Area by Declarant and its agents, employees and subcontractors shall not unreasonably interfere with the use of the Common Area by the Owners and Occupants, and (11) such easement shall be limited only to the location, scope and size reasonably necessary to accomplish the stated purpose of such easements or to comply with any relevant governmental requirements

(c) Declarant agrees that all such easements will be located so as to reasonably minimize, consistent with appropriate governmental requirements, the impact on the access and use (including the ability to construct Improvements on the Lot) by any Owner of its particular Lot and the Improvements thereon and that no such easement will be located under any building footprint Declarant further agrees that no such easement may be granted without the consent of the Owner of such Lot and of any Mortgagee holding an interest in such Lot if it will materially affect the value of such Owner's Lot

5 5 No Merger

Notwithstanding the union of (a) the fee simple title to any of the Lots in the Industrial Tract Parcel, or any portion thereof, or any other real property of Declarant with (b) any right, title or interest in the easements granted by or reserved to Declarant pursuant to this Declaration, it is the intention of Declarant that the separation of such fee simple estate and such right, title or interest in such easements shall be maintained, and that a merger shall not take place without the express prior written consent of Declarant

5 6 No Abandonment

Notwithstanding Section 811 of the California Civil Code or any other applicable law, it is the intent of Declarant that no easement granted or reserved hereunder shall be deemed extinguished, abandoned or terminated merely by disuse or incompatible acts, rather, except for easements that this Declaration expressly provides shall automatically terminate at such time as Declarant no longer owns any Lot, the easements granted hereunder shall continue in full force and effect unless (a) terminated by a writing, duly acknowledged and recorded, executed by the Person or Persons entitled to the benefit thereof or (b) in the case of the Owners, terminated by approval of the Owners and certified in a document executed, acknowledged and recorded in the Recorder's Office of Los Angeles County by an officer of the Association designated by the Board

ARTICLE VIMEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION6 1. Qualification and Voting

(a) Every Owner of a Lot which is subject to Assessment shall be a member of the Association. Membership in the Association shall be appurtenant to, and may not be separated from, ownership of any Lot which is subject to Assessment. Membership in the Association shall not be transferred, pledged or alienated in any way, except upon the sale of the Lot to which such membership is appurtenant, and then only to the purchaser of such Lot, and, upon the sale of a Lot, the seller's membership in the Association shall terminate as to such Lot. Any purported transfer of membership in the Association to any transferee not permitted under this Section 6 1 shall be null and void and of no force and effect. In the event the Owner of any Lot shall fail or refuse to transfer his membership in the Association to the purchaser of his Lot, then the Association shall have the right to enter such transfer upon its books and, upon such entry, the old membership outstanding in the name of the seller shall be null and void and of no force and effect.

(b) Except as otherwise provided in this Declaration, the Articles, the Bylaws or applicable law, all matters requiring the approval of the Owners shall be deemed approved if (i) a Majority of the Owners assent to them by written consent or (ii) if approved at any duly called regular or special meeting of the Owners at which a quorum present, either in person or by proxy, by Owners (or representatives of Owners as provided in Section 6 1(d) hereof) holding a majority of the total voting power of all Owners (or representatives of Owners as provided in Section 6 1(d) hereof) present at such meeting, either in person or by proxy. Except as otherwise provided in this Declaration, the Articles, the Bylaws or applicable law a Majority of the Owners shall constitute a quorum for any such regular or special meetings. In no event may the Association be voluntarily wound up and dissolved without the approval and consent of each Owner and a legal opinion furnished by counsel certifying compliance with all relevant legal requirements.

(c) Each Member of the Association (other than Declarant) shall be entitled to cast one vote per Square Foot which he is entitled to develop under the Purchase Agreement applicable to each Voting Member's Lot or Lots. Declarant shall be entitled to cast one vote per the Square Footage permitted under the Entitlements not otherwise allocated to all other Voting Members of the Association.

(d) Solely with respect to the lessee (excluding the Association) entitled to occupy the entirety of any Lot for a fixed term of ten (10) years or longer, the Owner of such Lot may, upon thirty (30) days written notice to the Association, designate such lessee as such Owner's representative to attend meetings of the Association and to vote at such meetings in such Owner's stead, whereupon, and until such designation is revoked, (i) the presence of such representative at a meeting or election of the Association shall be deemed to constitute the presence of such Owner for purposes of a quorum or otherwise and (ii) the vote, approval or consent of such representative shall be deemed to be the vote, approval or consent of such Owner. Such designation of a representative may be revoked at any time upon thirty (30) days.

written notice by such Owner to the Association. Any suspension or termination of the voting rights of any Owner shall likewise suspend or terminate the voting rights of such Owner's designated representative. The provisions of this Section 6.1(d) are intended merely to allow each Owner the flexibility to enable such a lessee to participate in meetings of, and voting by, members of the Association in such Owner's stead, and in the absence of any written agreement between such Owner and lessee to the contrary, shall not in any way be construed as requiring or creating any agency relationship between such Owner and such lessee.

6.2. Voting Percentage

Each Voting Member's voting power shall be determined by dividing the total number of voters to which such Member is entitled ("Voting Entitlement") by the combined Voting Entitlement of all Owners ("Total Entitlement") determined in accordance with the procedures set forth below. Total Entitlement shall be 3,145,700 votes.

6.3. Voting in Cases of Joint Ownership

In the event that two (2) or more Persons comprise the Owner (or as the case may be, the designated representative of such Owner as provided in Section 6.1(d) hereof) of any particular Lot, and such Persons are unable to agree among themselves as to how the votes to which they are entitled shall be cast, then they shall lose their right to vote on the matter in question. If any such Person casts votes representing a particular Lot, it will thereafter be conclusively presumed for all purposes that he was acting with the authority and consent of all the other Persons comprising the Owner (or, as the case may be, the designated representative of such Owner as provided in Section 6.1(d) hereof) of such Lot.

6.4. Transfers

(a) The Owner of a Lot shall, as soon as practicable before transfer of title to such Lot or execution of a real property sales contract therefor (as defined in Section 2985 of the California Civil Code), provide the following to the prospective purchaser:

- (i) Copies of the Governing Documents,
- (ii) A copy of the most recent financial statement made available pursuant to Section 12.3 hereof, and
- (iii) A true statement in writing from an authorized officer of the Association as to the amount of any Assessments levied upon the Lot which remain unpaid as of the date of such statement. The statement shall also include true information on late charges, interest and costs of collection which, as of the date of such statement, are or may be made a lien upon the Lot pursuant to Section 7.8 hereof or applicable law. Such a statement shall be conclusive upon the Association in favor of any and all Persons who rely in good faith thereon as to the matters therein contained.

(b) The Association shall maintain, and, within ten (10) business days of receipt of a written request, shall make available to the Owner of a Lot, a copy of the requested items specified in Subparagraphs (i), (ii) and (iii) of Section 6.4(a) hereof. The Association may

charge a fee for this service, which fee shall not exceed the Association's reasonable cost to prepare and reproduce the requested items

(c) The Association shall have the right to collect a fee in connection with a transfer of title or of any other interest in a Lot to cover its reasonable costs incurred in connection therewith, including, without limitation (i) a fee equal to the Association's actual cost to change its records to reflect such transfer and (ii) the fee authorized by Section 6 4(b) hereof. The Board may establish a schedule of fees based on its reasonable estimate of the Association's cost to perform such services and may impose such fees on the basis of such estimate. In the event such schedule is established, then the fees set forth therein shall conclusively be presumed to satisfy the requirements of Sections 6 4(b) hereof and this Section 6 4(c)

(d) Concurrently with the consummation of the sale of any Lot, or within five (5) days thereafter, the transferee shall notify the Association in writing of such sale. Such notification shall set forth the name of the transferee and his Mortgagees and the transferor, the address of the Lot purchased by the transferee, the transferee's and the Mortgagees' mailing address, and the date of sale. Before the receipt of such notification, any and all communications required or permitted to be given by the Association or the Board shall be deemed to be duly made and given to the transferee if duly and timely made and given to the transferee's transferor

(e) Nothing in this Section 6 4 shall be construed as affecting the validity of title to any Lot transferred in violation of this Section 6 4.

ARTICLE VII

COVENANT FOR ASSESSMENTS TO AND BY THE ASSOCIATION

7 1 Covenant to Pay Assessments

(a) Declarant and each future Owner of a Lot or Lots in the Industrial Tract Parcel, by acceptance of a deed thereto (whether or not it shall be so expressed in such deed), is hereby deemed to covenant and agree to pay to the Association

(i) Regular Assessments, which shall include an adequate reserve fund for the periodic maintenance, repair and replacement of the Common Area, and

(ii) Special Assessments, as set forth in this Declaration

(b) Assessments shall be established and collected as hereinafter provided. All Regular and Special Assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge and a continuing lien upon the Lot against which each such Assessment is made. No Owner of a Lot may exempt himself from liability for the payment of Assessments by waiving the use or enjoyment of any part of the Common Area or by abandoning his Lot

7.2. Purpose of Assessments

Subject to Section 7.5 hereof, the Association shall levy Regular Assessments and Special Assessments sufficient to perform its obligations under the Governing Documents and to pay for Common Expenses. Such Assessments shall be used exclusively to promote the health, safety and welfare of the Owners and Occupants, for the improvement and maintenance of the Common Area, for the coordination, monitoring and enforcement of the TDM Program, for the performance of the duties and operations of the Association and to further any other purpose that is for the common benefit of the Owners and Occupants in their use and enjoyment of the Industrial Tract Parcel

7.3 Regular Assessments

Regular Assessments shall be levied for each Fiscal Year by the Association based upon the annual budget adopted by the Board as set forth in Section 8.17 hereof

7.4 Special Assessments

(a) In addition to the annual Regular Assessments authorized in this Article VII but subject to Section 7.5 hereof, the Association may levy, in any Fiscal Year, a Special Assessment for the purpose of defraying, in whole or in part, the cost of (a) any construction, reconstruction, alteration, repair or replacement of a capital improvement upon the Common Area and/or fixtures and personal property related thereto and (b) any other action or undertaking by or on behalf of the Association which exceeds the budgeted gross expenses of the Association for that Fiscal Year

(b) In addition to the Special Assessments provided in Paragraph (a) of this Section 7.4, the Association may levy a Special Assessment against any individual Lot as a fine under Paragraph 8.8(b) hereof or to reimburse the Association for costs incurred by the Association (including reasonable attorneys' fees, interest, or any other miscellaneous costs) in bringing such Lot and/or the Owner or Occupant thereof into compliance with the Governing Documents (including, without limitation, under Paragraph (a) of Section 10.1 hereof), which Special Assessment may be levied upon the vote of the Board after notice and an opportunity for a hearing pursuant to the procedure set forth in Paragraph 8.8(a) hereof

7.5 Limitation on Assessments

Notwithstanding any other provision of this Declaration to the contrary, the Board shall not impose or collect any Assessment that exceeds the maximum amount allowed by law

7.6 Allocation of Assessments

Both Regular and Special Assessments (except where Special Assessments are levied as a fine under Paragraph 8.8(b) hereof or are a remedy utilized by the Board against a particular Owner to reimburse the Association for costs incurred in bringing such Owner, his Lot and/or the Occupant of such Lot into compliance with the provisions of the Governing Documents) shall be divided among Owners based on the ratio that such Owner's Voting Entitlement bears to the Total Entitlements

77. Commencement of Assessments

(a) The Regular Assessments provided for herein shall commence as to all Lots 1 through 32 on the first day of the month following the recordation of this Declaration. The first Regular Assessment shall be prorated according to the number of months remaining in the Fiscal Year in which such recordation occurs. The Board shall determine and fix the amount of the Regular Assessment against each Lot at least forty-five (45) but not more than ninety (90) days in advance of the commencement of each Fiscal Year, and shall establish the due date(s) for payment of such Assessments. Subject to Section 7.5 hereof, the Board may increase or decrease the Regular Assessments from Fiscal Year to Fiscal Year.

(b) Written notice of each Assessment shall be sent to every Owner subject thereto. Each Assessment levied against a Lot shall become a debt of the Owner of such Lot at the time such Assessment is levied. If there is more than one Person comprising the Owner of a particular Lot, each such Person shall be jointly and severally liable for such Assessments.

78. Liens for Delinquent Assessments

(a) Regular and Special Assessments shall be delinquent fifteen (15) days after they become due. At any time after any Assessment levied by the Association affecting any Lot have become delinquent, the Board may file for recordation in the Office of the County Recorder of the County a notice of delinquent Assessment as to such Lot, which notice shall state (i) all amounts which have become delinquent with respect to such Lot, the costs of collection connected therewith (including attorneys' fees), the amount of the late charge imposed (which shall not exceed ten percent (10%) of the delinquent Assessment or Ten Dollars (\$10), whichever is greater) and the interest which has accrued thereon, (ii) the amount of any Assessments relating to such Lot which are due and payable although not delinquent, (iii) a description of the Lot with respect to which the delinquent Assessments are owed and (iv) the name of the record or reputed record Owner of such Lot. If the lien is to be enforced by nonjudicial foreclosure as provided in Section 7 9 hereof, such notice of delinquency shall also contain the name and address of the trustee authorized by the Association to enforce the lien by sale. Such notice shall be executed by any officer of the Association. Immediately upon recording of any such notice of delinquent Assessment, the amounts delinquent as set forth in such notice, the reasonable costs (including attorneys' fees) incurred in collecting the delinquent Assessment, the late charge imposed as provided herein and interest which has accrued or thereafter shall accrue thereon, shall together be and become a lien upon the Lot described therein, which lien shall also secure all other Assessments, costs of collection (including attorneys' fees), late charges and interest accruing thereon which shall become due and payable with respect to said Lot following such recording. Upon full payment of the sums specified in the notice of delinquent Assessment, the Association shall cause to be recorded a further notice, similarly executed, stating that the lien has been satisfied and released.

(b) The lien of the Assessments provided in Section 7 1 hereof and the lien for delinquent Assessments, costs of collection, late charges and interest provided in Paragraph (a) of this Section 7 8 shall be prior and superior to all other liens except taxes, bonds, governmental assessments and other levies which, by law, would be superior thereto. The sale or transfer of any Lot shall not affect or extinguish an Assessment lien against such Lot. provided, however,

that the sale or transfer of any Lot through foreclosure, trustee's sale or deed in lieu of foreclosure shall extinguish the lien of such Assessment as to payments which became due prior to such transfer, as provided in Section 12.1 hereof. In no event shall any sale or transfer (whether by foreclosure or otherwise) relieve any Lot from lien rights in the Association for any Assessments thereafter becoming due.

7 9 Enforcement of Assessment Obligation

The Association may enforce delinquent Assessments by suing the Owner directly on the debt established by the Assessment, or by recording a lien against the Owner's Lot as provided in Section 7 8 hereof and foreclosing the lien through either judicial or nonjudicial proceedings. The Association may commence and maintain a lawsuit directly on the debt without waiving its right to establish a lien against the Owner's Lot for the delinquent Assessment, and vice versa. Any lien created pursuant to Section 7 8 hereof may be enforced in any manner permitted by law, including sale by a court, sale by the trustee designated in the notice of delinquent Assessment, or sale by a trustee substituted pursuant to Section 2934a of the California Civil Code, and to that end a power of sale with respect to the Lots is hereby conferred upon the Association. Any sale by a trustee shall be conducted in accordance with the provisions of Section § 2924 et seq. of the California Civil Code applicable to the exercise of powers of sale in Mortgages. The Association shall have the power to bid for the Lot at a foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Nothing herein contained shall prohibit the Association from taking a deed in lieu of foreclosure of a lien created pursuant to Section 7 8 hereof. In any action instituted by the Association to collect delinquent Assessments, accompanying costs, late charges or interest, the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees.

7 10. Assessments for Taxes

Subject to Section 7 5 hereof, in the event that any taxes of any nature are assessed against the Common Area or the personal property of the Association rather than against an individual Lot, then said taxes shall be added to the annual Regular Assessments or, at the discretion of the Board, a Special Assessment may be levied in an amount equal to said taxes.

ARTICLE VIII

POWERS AND DUTIES OF THE ASSOCIATION

The Association shall have all the powers of a nonprofit mutual benefit corporation organized under the Nonprofit Mutual Benefit Corporation Law of the State (Section 7110 et seq. of the California Corporations Code), subject only to such limitations on the exercise of its powers as are established by law or set forth in the Articles, the Bylaws or this Declaration. It shall have the power to do any lawful thing that may be authorized, required, or permitted to be done by the Association under this Declaration, the Articles or the Bylaws, and to do and perform any act that may be necessary or proper for, or incidental to, the exercise of any of the express powers of the Association. Subject to the limitations set forth in this Declaration, the Articles, the Bylaws or the laws of the State as to actions which must be authorized or approved by the members of the Association (i.e., the Owners), all corporate powers shall be

exercised by or under the authority of, and the business and affairs of the Association shall be controlled by, the Board. Without limiting the generality of the foregoing but subject to the same limitations, it is hereby expressly declared that, in addition to the other powers and duties of the Board provided in this Declaration and elsewhere in the Governing Documents, the Board shall specifically have:

8 1 Designate Officers

The power and the duty to select, appoint and remove the officers, agents and employees of the Association, prescribe such powers and duties for them as are not be inconsistent with law, the Entitlements, the Articles, the Bylaws or this Declaration, and, subject to the provisions of the Bylaws, fix their compensation

8 2 Management and Control

The power and the duty to conduct, manage and control the affairs and business of the Association, and to make such rules and regulations therefor as they deem best and as are not inconsistent with law, the Entitlements, the Articles, the Bylaws, the Center CC&Rs or this Declaration

8 3 Principal Office

The power but not the duty to change the principal office for the transaction of the business of the Association from one location to another within the County and to designate a place within the State for the holding of any membership meeting or meetings

8 4 Incur Indebtedness

The power but not the duty to borrow money and incur indebtedness for the purposes of the Association, and to cause to be executed and delivered for and in the name of the Association, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, or other evidences of debt and security therefor

8 5 Insurance

(a) To the extent the coverage described in this Section 8 5 is available at a reasonable cost, the power and the duty to obtain and maintain in force the following policies of insurance:

(i) Comprehensive public liability insurance with a single limit and deductible which, in the judgment of the Board, will provide adequate protection to the Association. but, in any event, with a single limit of not less than One Million Dollars (\$1,000,000) per occurrence and with a deductible of not more than Ten Thousand Dollars (\$10,000), insuring the Association against liability for bodily injury, death and property damage arising in connection with the ownership or use of the Common Area, any other Association-owned or maintained real or personal property or the activities of the Association,

(ii) Fidelity insurance in the form of a bond in an appropriate amount as determined by the Board, which names the Association as obligee and protects against misuse and misappropriation of Association property by Directors, officers, committee members, trustees and employees of the Association and any management agent and its officers, agents and employees, whether or not such Persons are compensated for their services;

(iii) Workers' Compensation Insurance, to the extent required by law, covering any employee or uninsured contractor of the Association;

(iv) Property and hazard insurance with extended coverage and special form endorsements covering the replacement cost of any buildings and other insurable improvements which may hereafter be located on the Common Area. The proceeds from such insurance shall be paid as provided in any Mortgage covering the Common Area, or, if there is no such Mortgage, to the Association, which shall use such funds for the repair, reconstruction or replacement of the improvements so covered,

(v) Insurance in an amount to be determined by the Board, but in any event not less than One Million Dollars (\$1,000,000), on behalf of (a) each Director, (b) each member of the Design Review Committee and (c) such other committee members and officers as the Board in its discretion deems appropriate, for liability asserted against or incurred by such Director, committee member or officer in such capacity or arising out of such status, regardless whether the Association would have the power to indemnify such Director, committee member or officer against such liability under applicable law, and

(vi) Such other insurance as the Board shall deem necessary or expedient to carry out the functions of the Association as set forth in this Declaration, the Articles and the Bylaws

(b) The liability insurance referred to in Paragraph (a)(i) of this Section 8.5 shall name Declarant, the Directors, any manager and the Owners (as a class) as additional insureds, and such policy shall include, if obtainable, a cross-liability or severability of interest endorsement insuring against liability to each other insured.

(c) Every policy of insurance obtained by the Association, whether or not required to be obtained pursuant to the provisions of this Declaration, shall expressly waive any and all rights of subrogation against Declarant, its representatives and employees, the Directors and all Owners

(d) The premiums for the insurance policies obtained and maintained by the Association shall be a part of the Common Expenses to be included in the calculation of the regular Assessments levied by the Association

(e) The Board shall periodically review the coverage provided by the insurance policies obtained and maintained by the Association, and, to the extent that increased coverage is available and at the Board's discretion, shall increase such coverage in light of inflation, increased risk and similar factors

8.6 Utilities

The power and the duty to pay all charges for utility services for the Common Area

8.7 Common Area

The power and the duty to manage, operate, maintain, repair, restore, add to and replace the Common Area and all improvements located thereon (including, without limitation, the express obligation at all times to preserve, plant, install, repair and maintain the Common Area as set forth in this Declaration), and all other property (whether real or personal) owned by the Association, and to make capital expenditures for and on behalf of the Association.

8.8 Enforcement

The power and the duty to enforce the provisions of the Governing Documents and the provisions of any agreement to which the Association is a party In addition to the other powers of the Board provided herein and under applicable law, the Board shall have the power

(a) To suspend all rights and privileges of an Owner in the Association for (i) a failure to pay any Regular Assessment or Special Assessment in full promptly when due (whether or not the Owner is personally obligated to pay such Assessment) or (ii) each violation of any provision of the Governing Documents Such suspension shall continue for a period of time determined by the Board and may, at the Board's discretion, continue until the Regular Assessment or Special Assessment is paid in full or the violation is cured Such suspension shall not take effect unless the Owner is notified and given an opportunity for a hearing as required by applicable law, provided, however, that the following minimum requirements shall apply

(i) The Owner shall be notified in writing of the suspension and the reasons therefor at least fifteen (15) days prior to the effective date of the suspension,

(ii) If requested by the Owner in writing within five (5) business days after receipt of such notice, a hearing on said suspension shall be held before the Board, and

(iii) Said hearing shall be held by the Board at least five (5) business days before the effective date of the suspension, and at said hearing the Owner shall have the right to appear and defend himself against the matters resulting in the notice of suspension

(b) To levy and assess fines against any Owner who violates, or whose Occupants or Permittees violate, the Governing Documents, pursuant to the same notice and hearing procedure as is provided for suspension in Paragraph (a) of this Section 8.8, and such other procedures and/or schedules as the Board may establish Upon notice to the Owners, the Board may establish a schedule of fines for individual offenses and/or continuing offenses, which schedule shall thereafter govern the amount of the fines to be levied, until such schedule is modified or repealed by the Board Fines may be levied for each offense, and, once levied, each

such fine shall become an Assessment and lien against such Owner's Lot or Lots Any Owner against whom such a fine is levied shall pay such fine to the Association within ten (10) business days after such levy. The Association shall be entitled to take any legal action or employ any remedies set forth hereunder or permitted by law to enforce the payment of such fines

8 9. Square Footage/Total Entitlement Monitoring

The power and the duty to track and monitor the Square Footage by ownership as issued by building permit and commercial office/retail/industrial park use by ownership as issued by building permit, so long as such Square Footage is calculated in accordance with the definition set forth in Section 1 40 hereof In the event that the calculation of Square Footage for purposes of building permits is not made in accordance with such definition, the measure of Square Footage for the purposes of this Section 8 9 and the Declaration shall still be made in accordance with the definition set forth in Section 1 40 hereof, and not as issued by building permit

8 10. Contract and Make Payments

The power and the duty to contract and pay for Common Expenses Withdrawals of funds from the Association's accounts may be made by any individual or individuals authorized by the Board to make such withdrawals

8 11. Employment of Agents

The power but not the duty to employ the services of any Person or Persons to manage and conduct the business of the Association, and upon such conditions as are deemed advisable by the Association, to delegate to such Person or Persons any of its powers

8 12 Services

(a) The power but not the duty to operate, or in the alternative, to delegate to an outside Person the responsibility of operating, a child day-care center to service the Industrial Tract Parcel

(b) The power but not the duty to institute any other services for the benefit of the Owners deemed advisable by the Association

8 13 Recycling Program

The power and the duty to design and implement a program(s) for the recycling of the Industrial Tract Parcel's solid waste, and to require that all Owners

(a) individually attempt to recycle solid waste; and

(b) cooperate in any program or effort which may be undertaken by the Association or Declarant independently, or in cooperation with local municipalities or governmental agencies or other Owners, to encourage recycling of such waste

8 14 Taxes

The power and the duty to pay any taxes and governmental assessments which are or could become a lien on the Common Area or any portion thereof.

8 15 Discipline

The power but not the duty to initiate and execute disciplinary proceedings against Owners and Occupants for violations of the provisions of the Governing Documents

8 16. Periodic Review of Financial Condition

The power and the duty to periodically review the financial condition of the Association as required by applicable law or as otherwise provided herein or in the Bylaws

8.17. Budget

The power and the duty to prepare annual budgets and financial statements for the Association and to distribute such budgets and financial statements to the Owners as required by applicable law or as otherwise provided herein or in the Bylaws

8 18 Litigation

The power and the duty to prosecute or defend, in the name of the Association, any action affecting or relating to the Association and any action in which all or substantially all of the Owners have an interest

8 19 Delegation of Powers

The power but not the duty to delegate any of its powers hereunder to other Persons, including, without limitation, committees, officers and employees

8 20. Security

The power but not the duty to provide, through an outside agency, a security force to patrol and protect the Common Areas

8 21 Rules

(a) The power but not the duty to adopt, amend, supplement and repeal the Rules. The Rules may restrict and govern the use of the Common Area by any Owner or Occupant, provided, however, that the Rules may not discriminate between the various Owners and Occupants

(b) A copy of the Rules shall be given to each Owner not less than ten (10) business days before said Rules (or, as applicable, an amendment thereto) shall be effective. The Rules shall have the same force and effect as if set forth herein and made a part of this Declaration.

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8 22. Design Guidelines and Improvements Maintenance Standards

(a) The power but not the duty to amend, supplement and repeal the Design Guidelines and to adopt, amend, supplement and repeal the Improvements Maintenance Standards, provided, however, that with respect to the Improvements Maintenance Standards, at no time shall the standards set forth therein for repair and maintenance be lower than the minimum standards set forth in this Declaration or required by the Entitlements, and provided further that the Improvements Maintenance Standards may impose higher standards of maintenance for Lots visible from main public streets and/or the Common Area than Lots not so visible. Whether or not Improvement Maintenance Standards have been adopted, nothing in this Section 8 22 shall be construed as relieving any Owner or Occupant from the obligation to at all times comply with the minimum standards for repair and maintenance set forth in this Declaration.

(b) A copy of the Improvements Maintenance Standards, or, as applicable, a copy of any amendment, modification or supplement thereto or to the Design Guidelines shall be given to each Owner not less than ten (10) business days before the same shall be effective. The Improvements Maintenance Standards and the Design Guidelines shall have the same force and effect as if set forth herein and made a part of this Declaration.

8 23 Right to Grant Easements

(a) The power and the duty to grant utility and other easements, through and over the Common Area which are reasonably necessary or appropriate in connection with the operation or activities of the Association or to the ongoing development of lands held by Declarant or an affiliate of Declarant in the Industrial Tract Parcel, provided, however, that such easements shall be limited only to the location, scope and size reasonably necessary to accomplish the stated purpose of such easement or to comply with any relevant governmental requirements. Declarant agrees that all such easements will be located so as to reasonably minimize, consistent with appropriate governmental requirements, the impact on the access and use of the Common Area.

(b) The power and the duty to relocate easements for ingress and egress over and across the Common Area, provided, however, that the Board shall use reasonable criteria in deciding which easements are to be relocated and to what location.

8 24 Limitation on Liability of Officers and Directors, Indemnification

(a) No Director, officer, committee member (including, without limitation, a member of the Design Review Committee), employee or other agent of the Association, (including, without limitation, the Declarant or any agent of the Declarant when acting in such capacity) (each, an "Association Agent"), shall be liable to any Owner or Occupant or any other Person (including, without limitation, the Association), for any damage, loss, or prejudice suffered or claimed on account of any act, omission, error or negligence of any such Association Agent if such Association Agent has acted in good faith and in a manner such Association Agent reasonably believed to be in the best interests of the Association.

(b) Each Owner, by accepting his deed, each Occupant, by accepting the right to occupy a Lot, and the Association, by accepting conveyance of the Common Area, agrees personally and for all its Permittees to indemnify each Association Agent, and to defend such Association Agent against any liability for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of such Association Agent if such Association Agent has acted in good faith and in a manner such Association Agent believed to be in the best interests of the Association.

(c) In the event that any such Association Agent is also a director, officer or employee of Declarant or an affiliate of Declarant, then, in addition to the foregoing Section 8 24(b), Declarant hereby agrees to indemnify such Association Agent and to defend such Association Agent against any liability for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence by such Association Agent in performing his duties on behalf of the Association

(d) In addition to the foregoing Section 8 24(c), Declarant hereby agrees to indemnify any director, officer or employee of Declarant against any liability for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence by such director, officer or employee in representing Declarant in Declarant's dealings with the Association, the Owners or the Industrial Tract Parcel.

(e) The indemnities set forth in Sections 8 24(c) and (d) hereof shall continue only for so long as Declarant or any affiliate of Declarant owns any Lot

8.25 TDM Program

The power and the duty to monitor and enforce the TDM Program. Monitoring and enforcement may include the following:

(a) Employing a full-time transportation coordinator to provide such things as ride sharing assistance, transit information and to take responsibility for the monitoring and reporting to the TDM Program's success,

(b) Providing to all Persons who participate in the TDM Program, financial incentives in the form of (i) subsidies for public transit or car/van pool use; and (ii) guaranteed transportation home in case of personal emergency,

(c) Providing for the display and dissemination of information regarding the TDM Program,

(d) Providing for pedestrian amenities, and

(e) Enforcing all of the following responsibilities of all Owners under the TDM Program.

(i) Employment of a transportation coordinator for each

Owner;

- (ii) Notification to all lessees in all leases of requirements to cooperate in programs to reduce peak levels of commuter traffic pursuant to Section 3.1(c)(iv) hereof;
 - (iii) Provision of reserved parking for carpools and vanpools at Building entrances and parking exits;
 - (iv) Provision of vanpool and carpool drop-off and pick-up areas at Building entrances;
 - (v) Provisions of bicycle racks in all visitor parking areas,
 - (vi) Provision of "flex-hour" work schedules for all employees;
- and
- (vii) Independent compliance with the Association's responsibilities under Section 8 25 (b) and (c) herein

8 26 Common Fire Lanes and Fire Protection Facilities

The power and the duty to provide assurance that the proposed common fire lanes and fire protection facilities within the Industrial Tract Parcel which are not maintained by the City are properly and adequately maintained by the Owners of the Lots affected by such common fire lanes and fire protection facilities

ARTICLE IX

COMMON AREA

9 1 Easement of Enjoyment

Every Owner and Occupant of a Lot shall have a right and easement of enjoyment in and to the Common Area, which right and easement shall be appurtenant to and shall pass with the title to each such Lot, provided, however, that such right and easement shall be subject to the following

(a) The right of the Association to suspend the voting rights of an Owner, as provided in Section 8 8(a) hereof, for (i) any period during which any Assessment against his Lot remains unpaid and (ii) for a period not to exceed thirty (30) days for any infraction of the Rules by such Owner or any Occupant of his Lot after reasonable written notice and an opportunity for a hearing before the Board which satisfies the minimum requirements of Section 7341 of the California Corporations Code, as set forth in the Bylaws.

(b) The right of the Association to transfer all or substantially all of its assets, including all or any part of the Common Area, provided, however, that so long as there is any Lot, parcel, area or portion thereof for which the Association is obligated to provide management, maintenance, preservation or control, no such transfer shall be effective unless an

instrument signed by seventy five percent (75%) of the Owners shall have been recorded stating that such Owners agree to such transfer.

(c) Notwithstanding (b) above, the right of the Association, in accordance with the Articles and the Bylaws, to borrow money for the purpose of improving, repairing and maintaining the Common Area or otherwise and, in connection therewith, the right of the Association to hypothecate any or all real or personal property owned by the Association including the Common Area, and

(d) The right of the Association to adopt, amend, supplement and enforce the Rules

9 2. Use

Unless otherwise stated herein, the Common Area shall be used by the Owners and Occupants in accordance with the Rules.

9 3. Maintenance

(a) The Association shall maintain the Common Area or provide for the maintenance thereof (including, without limitation, any monument or sign located on the Project Monument Parcels, as provided in Section 1 11 (a) hereof), and shall keep the Common Area in good order and repair

(b) Any costs of temporary relocation suffered by the Owner or Occupant of any Lot as a result of the repair, maintenance or improvement of the Common Area by the Association shall be borne entirely by such Owner or Occupant

(c) The Association shall be responsible for providing, at its sole expense, (i) water to irrigate the landscaping in the entire Common Area, (ii) timers, controllers and/or other systems for automatic irrigation of the landscaping in the entire Common Area, (iii) electricity to power any such automatic irrigation systems and (iv) electricity to power any lighted signs or monuments on the Common Area All such expenses shall be deemed Common Expenses

9 4. Creation of Maintenance Standards for Common Areas

The Board shall have the right to establish specific standards of maintenance for the Common Area, whereupon the Association shall be obligated to adhere to such standards of maintenance.

All Building exteriors within the Common Area shall be maintained at all times in a neat, orderly and weatherproof manner, including, without limitation, periodic painting if painting is customary with respect to the exterior construction materials employed for such Building

9.5 Damage to the Common Area

The Owner and the Occupant of each Lot shall be liable to the Association for all damage to the Common Area or to any other real or personal property owned by the Association that may be sustained by reason of the negligence of such Owner or Occupant, its Permittees, guests, licensees and invitees, which shall include, without limitation, damage to curbs, sidewalks, paved surfaces, monuments, signs, trees and landscaping. No Owner or Occupant shall do or permit any of its Permittees, guests, licensees or invitees to do anything on the Common Area that might increase the rate, or cause the cancellation, of any policies of insurance obtained by or on behalf of the Association

9.6. Expansion of Common Area

At any time, (a) Declarant may (but need not), by sale, lease, gift or other transaction, convey to the Association and/or (b) the Association may (but need not), by purchase, lease, acceptance of gift or other transaction (and without the consent of the Owners), obtain or acquire, any Lot, other lands, personal property or rights therein, and thereby increase and expand the Common Area, whereupon the maintenance of such additional Common Area shall become the obligation of the Association. Without limiting the generality of the foregoing and subject to Section 7.5 and Section 8.12 hereof, the Association shall be entitled (but not required) to obtain or acquire rights which would enable it to own and/or manage, as part of the Common Area, a daycare center or other facility for the use and enjoyment of the Owners and Occupants, the ongoing net cost of which, if any, shall be part of the Common Expenses and shall be funded by Assessments

9.7 Governmental Compliance

The use, ownership, maintenance, operation, improvement and repair of the Common Area shall at all times strictly comply with (a) all applicable laws, statutes, ordinances, rules and regulations of any local, County, State or Federal governmental body, including, without limitation, all applicable handicapped and disabled persons accessibility requirements such as the Americans with Disabilities Act of 1990 and (b) the Entitlements, and the Association, by accepting conveyance of the Common Area, agrees to assume and perform all obligations of Declarant thereunder with respect to the Common Area. Without limiting the generality of the foregoing, any portion of the Common Area designated as open space under any Entitlement shall not be improved or its use changed without approval of each governmental agency with jurisdiction over such open space

ARTICLE X

ENFORCEMENT

10.1 Abatement and Suit

(a) Subject to the restrictions set forth in this Declaration and those imposed by law, the violation or breach of any covenant, condition, restriction or provision contained in the Governing Documents shall give the Association and its agents, employees, representatives and contractors the right to enter upon such portion of the Industrial Tract Parcel upon or as to

which said violation or breach exists and to summarily abate and remove, at the expense of the Owner or Occupant thereof, any structure, thing or condition that may be or exist thereon contrary to the intent and meaning of the Governing Documents

(b) Declarant, the Association (acting on behalf of itself or as representative of the Owners) and any aggrieved Owner shall have the right to prosecute a proceeding at law or in equity against any Owner or Occupant or any other Person or Persons who have violated or breached or are attempting to violate or breach any of the provisions, covenants, conditions, and restrictions set forth in the Governing Documents, to enjoin or prevent them from doing so, to cause said violation or breach to be remedied or to recover damages for said violation, provided, however, that nothing herein contained shall be deemed to impose upon Declarant, the Association or any aggrieved Owner any liability for the failure to correct or prosecute a violation or breach of the Governing Documents

(c) Each Person comprising an Owner shall be jointly and severally liable with each other Person comprising such Owner for the violation or breach of any covenant, condition, restriction or provision contained in the Governing Documents (i) existing upon the Lot or Lots owned by such Owner or (ii) caused or committed by such Owner or any Occupant or Permittee of such Owner

10 2. Inspection

Declarant and its representatives, members of the Design Review Committee, and any Directors, officers, employees and agents of the Association may, from time to time at any reasonable hour or hours and without notice to any Owner or Occupant, enter and inspect any Lot to ascertain whether such Lot, the Improvements thereon and the uses thereof are in compliance with the Governing Documents, and no such entering Person (nor the Association itself) shall thereby be deemed guilty of, or become liable for, any manner of trespass or unlawful entrance in connection with such entry and inspection

10 3. Failure to Enforce Not a Waiver of Rights

With the exception of the time limit for action by the Design Review Committee contained in Section 4 4 hereof, the failure of Declarant, the Association or any aggrieved Owner to enforce any covenant, condition, restriction or provision herein contained shall in no event be deemed to be a waiver of the right to thereafter do so nor of the right to enforce any other covenant, condition, restriction or provision set forth in this Declaration

10 4. Enforcing Violations

The violation of any Entitlement or applicable governmental law, statute, ordinance, rule or regulation shall constitute a violation of this Declaration and shall be enforceable in accordance with the provisions of this Article X.

ARTICLE XI.TERMINATION AND AMENDMENT11.1. Term

The covenants, conditions and restrictions contained in this Declaration shall run with and bind the Industrial Tract Parcel and shall inure to the benefit of and be enforceable by each Owner and its heirs, successors and assigns for a term commencing as of the date this Declaration is recorded and terminating fifty (50) years from such date, after which said covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years unless prior to commencement of any such ten (10) year period an amendment to this Declaration has been recorded in accordance with Section 11 2 hereof which terminates this Declaration or modifies the automatic extension provisions of this Section 11 1

11 2 Amendments

(a) Except as otherwise provided in this Declaration, neither this Declaration nor any provision hereof or any covenant, condition or restriction herein contained, may be terminated, extended, modified or amended, as to the whole of the Industrial Tract Parcel or any portion thereof, except upon the approval of a Majority of the Owners, provided, however, that so long as Declarant owns any portion of the Industrial Tract Parcel, no such termination, extension, modification or amendment which could in any way directly or indirectly adversely affect the rights of Declarant hereunder shall be effective without the written approval of Declarant thereto. No such termination, extension, modification or amendment shall be effective until such termination, extension, modification or amendment has been certified in a document executed and acknowledged by an officer of the Association designated by the Board and has been recorded in the Recorder's Office of Los Angeles County. Within a reasonable time after such document has been recorded, the Association shall mail a copy thereof to each Owner, together with a statement that such document has been recorded.

(b) Notwithstanding the foregoing, and in addition to any other rights they may have to amend this Declaration as provided elsewhere herein, (i) before the close of the first conveyance of a Lot to a purchaser other than Declarant or the Association, this Declaration may be amended in any respect or revoked, with the consent of all Mortgagees, by the execution by Declarant of an instrument amending or revoking the Declaration and (ii) the Board may, with the consent of all Mortgagees, but without the vote or consent of the Owners, make and record additions, deletions or amendments to this Declaration for the purpose of correcting ambiguities or technical errors or for the purpose of clarification and (iii) so long as it owns any portion of the Industrial Tract Parcel, Declarant may, with the consent of all Mortgagees, but without the vote or consent of the Owners, at any time and from time to time in its sole discretion, make and record such additions, deletions, amendments, modifications or supplements to this Declaration as are not unfair or unreasonable.

(c) Any document recorded in accordance with this Section 11 2 shall be conclusive in favor of all Persons who rely upon it in good faith.

11 3 Termination of Declarant's Interest

Declarant's right to enforce the provisions of this Declaration shall continue for so long as Declarant owns any Lot; provided, however, that Declarant shall be entitled, at any earlier time, by an instrument in writing executed and acknowledged and recorded in the County, to terminate in whole or in part its right to enforce the provisions of this Declaration

11 4 Termination of Declarant's Right to Designate Design Review Committee

Members

(a) At such time as Declarant determines that it no longer desires to control the appointment or removal of the members of the Design Review Committee, it shall send written notice by first-class mail to each Owner and each Director that it will no longer appoint or remove the members of the Design Review Committee. Said notice shall further set the time and place for a special meeting of the Board, to be held not less than four (4) nor more than thirty (30) days following the date such notice is deposited in the mail. Declarant may attend said meeting. At such meeting, a majority of the Directors then in office shall select three (3) individuals to serve on the Design Review Committee, and shall establish such new or additional rules and regulations as it deems necessary or appropriate to control the activities of the Design Review Committee, including the appointment and removal of its members. The action taken at the meeting shall be evidenced by a written instrument executed by the Secretary of the Association, acknowledged, and recorded in the Office of the County Recorder.

(b) In the absence of action by the Board in accordance with the provisions of this Section 11 4 and in the event of a vacancy or vacancies on the Design Review Committee, then the approval of the Majority of the Owners shall be necessary to designate a successor or successors to fill such vacancy or vacancies.

(c) The right and power of Declarant to control the appointment or removal of the members of the Design Review Committee shall cease upon the commencement of the meeting provided for in Paragraph (a) of this Section 11 4.

ARTICLE XII

RIGHTS OF LENDERS

12 1 Priority of Lien of Mortgage

This Declaration shall be and remain senior in priority to all Mortgages hereafter executed upon the Industrial Tract Parcel, any Lot or any portion thereof, provided, however, that no breach of the covenants, conditions or restrictions herein contained or foreclosure of any lien herein created for Assessments shall affect, impair, defeat or render invalid the lien, charge or priority of any Mortgage made in good faith and for value encumbering any Lot. Any Mortgagee or other Owner whose title to a Lot is derived through foreclosure, trustee's sale or deed in lieu of foreclosure, shall take title to such Lot subject to, and shall be bound by, all the covenants, conditions and restrictions set forth in this Declaration, provided, however, that such Lot shall be free of the lien for both non-delinquent and delinquent Assessments (including costs of collection, late charges and interest connected therewith) that have accrued up to the time of

the foreclosure sale, trustee's sale or conveyance in lieu of foreclosure (unless such Mortgagee or other Owner shall have expressly assumed the obligations secured by said lien), and such Mortgagee or other Owner shall only be obligated to pay Assessments that become due or payable on or after such Mortgagee or other Owner acquired title to such Lot.

12.2. Curing of Defaults

Any Mortgagee who acquires title by judicial foreclosure, deed in lieu of foreclosure or trustee's sale shall not be obligated to cure any breach or violation of the provisions of this Declaration which is incurable or of a type which is not practical or feasible to cure. In the event that any Assessment on any Lot becomes delinquent or another default under this Declaration occurs, the Association shall provide the Mortgagee with notice of such default, provided, however that the Owner of such Lot must have furnished the Association with the current address of the Mortgagee. The Mortgagee shall thereafter have the right to cure such default within a reasonable time or to commence foreclosure proceedings. If any Mortgagee commences foreclosure proceedings or gives notice to the Association that it is commencing negotiations for a deed in lieu of foreclosure, the Association shall stay any foreclosure proceedings instituted by it until the conclusion of Mortgagee's proceedings or negotiations.

12.3 Availability of Documents

The Association shall make available to Owners and Mortgagees current copies of the Governing Documents, as well as the books, records and financial statements of the Association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances. Upon written request, any Mortgagee shall be entitled to receive an audited statement for the immediately preceding Fiscal Year, which audited statement shall be prepared at the expense of such Mortgagee if not otherwise available. Any such financial statement so requested shall be furnished within a reasonable time following such request.

12.4 Conflicts

In the event of any conflict between any of the provisions of this Article XII and any of the other provisions of this Declaration, the provisions of this Article XII shall control.

ARTICLE XIII

DECLARANT'S RIGHTS AND RESPONSIBILITIES PURSUANT TO CENTER CC&RS

13.1 Assignment of Easements or Other Rights and Obligations

Declarant may assign any of the easements or other rights or obligations Declarant under the Center CC&Rs at any time (i) to any Affiliate of Declarant, (ii) to any successor to Declarant or its Affiliate by merger or acquisition of substantially all of Declarant's or such Affiliate's assets, (iii) to any successor in interest in all or any portion of the Industrial Tract Parcel, or (iv) to the Association (any such person or entity described above in this Section 13.1 hereof referred to hereinafter as "Successor"). For purposes of this Declaration, "Affiliate"

means any entity which from time to time directly or indirectly controls, is controlled by or is under common control with the Declarant. Upon a Successor's succeeding to an obligation of Declarant under the Center CC&Rs, Declarant shall have no responsibility for any further performance of such obligation.

13.2. Assignment to the Association

If Declarant chooses to assign any of the easements or other rights or obligations under the Center CC&Rs to the Association pursuant to Section 13.1 herein, then any costs associated with maintenance and repair obligations that are assigned to the Association will be paid by the Association. Upon transfer of the obligations, the Board shall make appropriate adjustments to the annual budget, as set forth in Section 8.17 herein, that result from such assignment. Regular Assessments shall then be adjusted proportionately, pursuant to Sections 7.3 and 7.6 herein, to account for such adjustments in the annual budget.

ARTICLE XIV

MISCELLANEOUS PROVISIONS

14.1. Constructive Notice and Acceptance

Every Person who now or hereafter owns or acquires any right, title or interest in or to any portion of the Industrial Tract Parcel or any Lot is and shall be conclusively deemed to have consented and agreed to every covenant, condition, restriction and provision contained in this Declaration, whether or not any reference to this Declaration is contained in the instrument by which such Person acquired an interest in the Industrial Tract Parcel.

14.2. Declarant's Rights Under Other Documents

Nothing herein contained shall prejudice or diminish in any way Declarant's rights under any other documents which may be subsequently recorded against all or any portions of the Industrial Tract Parcel.

14.3. Public Infrastructure Financing

In the event that at any time Declarant chooses to obtain public bond financing to finance infrastructure and improvements affecting the Industrial Tract Parcel or any portion thereof, then each Owner (and, if applicable, the Association) owning a Lot so affected shall consent to such public bond financing, participate in any special districts established in connection therewith, assume its proportionate share of the obligations created thereby and subject such Lot(s) to the lien of any assessments imposed therefor.

14.4. Land Use Matters

Subject to the use restrictions applicable to the Industrial Tract Parcel set forth in the Center CC&Rs, Declarant shall retain the right, in its sole discretion, for the benefit of the Lots of which Declarant or an affiliate of Declarant then retains ownership, or for the benefit of all or any other portion of the Industrial Tract Parcel, to apply for, obtain, prepare, change,

amend, supplement, modify or terminate any governmental land use ordinance, development entitlement or approval, organization or change of organization, environmental analysis or mitigation plan or other Entitlement including or affecting the Industrial Tract Parcel or otherwise, including, without limitation, (a) any municipal incorporation, annexation or deannexation, district formation or dissolution or any other change of organization contemplated by the California Government Code (b) any general plan, specific plan, zoning ordinance or conditional use permit, (c) any tentative or final map (including the Initial Final Map), parcel map or any other approval (including lot mergers, lot splits, lot line adjustments and similar approvals) available or required under the Subdivision Map Act (California Government Code Section 66410 et seq.) or otherwise, (d) any amendment or supplement to any environmental impact report related thereto and (e) any wetlands, geological or archaeological environmental mitigation plan, provided, however, that such land use modification shall not materially effect any Owner's or any other's right to develop its Lot or Lots in accordance with the Entitlements and the Governing Documents, and Development Agreement

14.5 Completion of Construction by Declarant

Declarant and its agents, representatives, and independent contractors shall be entitled to complete the construction of on-site and off-site improvements on or in the vicinity of the Industrial Tract Parcel, including, without limitation, grading, trenching, preparation of streets and curbs and installation of utilities and sewers, and neither the Association nor any Owner or Occupant shall interfere with or impede such completion of construction. In the event that, prior to completion of such construction, Declarant or Declarant's independent contractor reasonably determines that the activities of any Owner or Occupant upon the Common Area or upon such Owner's or Occupant's Lot may interfere with such construction, then Declarant or Declarant's independent contractor shall be entitled to impose such reasonable conditions and limitations upon such activities as Declarant or such independent contractor, in its reasonable discretion, determines to be necessary or appropriate to avoid such interference, provided, however, that Declarant shall incur no liability arising out of either the imposition of, nor the failure to impose, such conditions.

14.6. Notices

(a) Except as otherwise expressly provided in this Declaration or required by law, all notices, consents, requests, demands, approvals, authorizations and other communications provided for herein shall be in writing and shall be deemed to have been duly given if and when personally served or seventy-two (72) hours after being sent by United States first class mail, postage prepaid, to the intended party at its last known address. For purposes of this Section 14.6, "last known address" with respect to any Owner shall mean such Owner's address appearing on the books of the Association or supplied by such Owner to the Association. If no address is supplied, then such Owner's address shall be deemed to be the address of any Lot owned by such Owner.

(b) With respect to (1) any such notice, consent, request, demand, approval, authorization or communication and (11) any document or instrument (whether a Governing Document or otherwise) given or made available to any Owner hereunder or under any of the other Governing Documents and which might concern an Occupant of such Owner's Lot, it shall

be the sole responsibility of such Owner (but in no event the responsibility of the Association) to make a copy thereof available in a timely manner to such Occupant.

14 7. Liberal Construction

The provisions of this Declaration shall be liberally construed to effectuate its purpose. The failure to enforce any provision of this Declaration shall not constitute a waiver of the right to thereafter enforce such provision or the right to enforce any other provision hereof.

14 8. Singular Includes Plural

Whenever the context of this Declaration requires, the singular shall include the plural, and vice versa, and the masculine shall include the feminine and the neuter, and vice versa.

14 9. Headings

Paragraph, Section and Article headings, where used in this Declaration, are inserted for convenience only and are not intended to be a part hereof or in any way to define, limit or describe the scope and intent of the particular provisions to which they refer.

14 10. Effect of Invalidation

Each covenant, condition and restriction of this Declaration is intended to be, and shall be construed as, independent and severable from each other covenant, condition and restriction. If any covenant, condition or restriction of this Declaration is held to be invalid by any court, the invalidity of such covenant, condition or restriction shall not affect the validity of the remaining covenants, conditions and restrictions hereof.

14 11. No Discriminatory Restrictions

No Owner or Occupant shall execute or cause to be recorded any instrument that imposes a restriction upon the sale, leasing, or occupancy of his Lot on the basis of race, sex, marital status, national ancestry, color or religion.

14 12. Cumulative Remedies

Each remedy provided for in this Declaration and/or in the Governing Documents shall be cumulative and not exclusive. The failure to exercise any remedy provided for in this Declaration or any other Governing Document shall not constitute a waiver of such remedy or of any other remedy provided herein or therein.

14 13. Attorneys' Fees and Costs

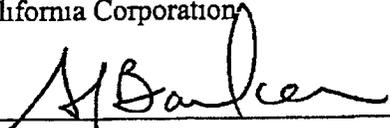
If any Person commences litigation for the judicial interpretation or enforcement hereof or of any of the other Governing Documents, or for damages for the breach hereof or of any of the other Governing Documents, the prevailing party shall be entitled to its reasonable attorneys' fees and court and other costs incurred.

14 14. Conflicting Provisions

In the case of any conflict between this Declaration and the Articles or the Bylaws, this Declaration shall control. In the event of any conflict between the Articles and the Bylaws, the Articles shall control.

IN WITNESS WHEREOF, Declarant has hereunto affixed the following signatures as of the date first above written

BOEING REALTY CORPORATION,
a California Corporation

By 

By STEPHEN J BARKER
DIRECTOR-BUSINESS OPERATIONS

State of California

County of Los Angeles

On August 3, 1999 before me, Dely De Leon, Notary Public, personally appeared Stephen J Barker personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument

WITNESS my hand and official seal



Dely De Leon

Document: Declaration of Covenants, Conditions & Restrictions - Harbor Gateway



HARBOR GATEWAY CENTER

VESTING TRACT NO. 52172

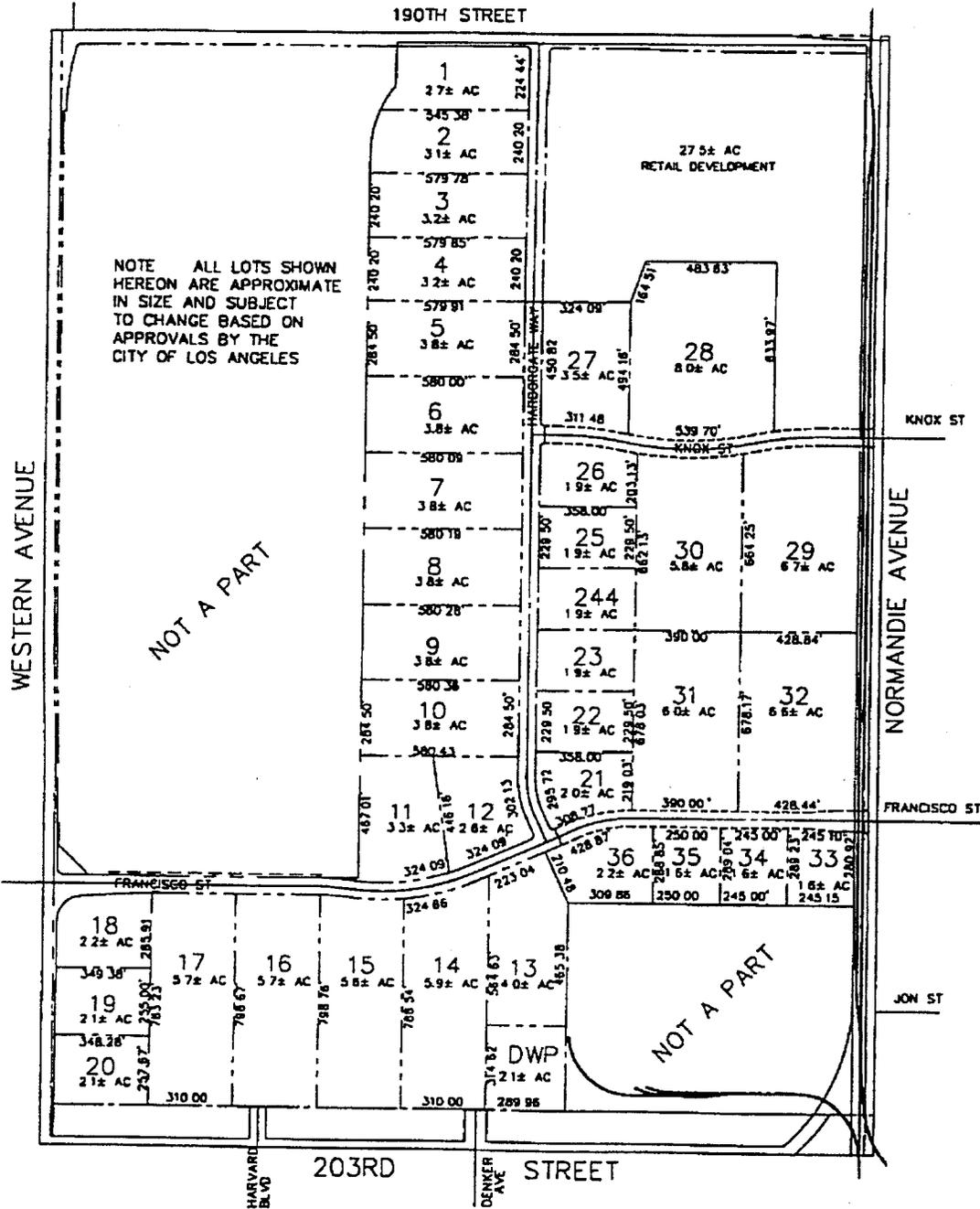
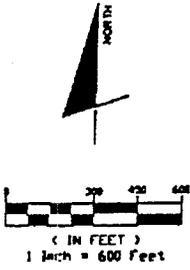


EXHIBIT "A"

THAT PORTION OF RANCHO SAN PEDRO, IN THE CITY OF LOS ANGELES,
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS

BEGINNING AT A POINT IN THE WEST LINE OF THE 50-FOOT RIGHT-OF-WAY OF THE PACIFIC ELECTRIC RAILWAY COMPANY ADJOINING NORMANDIE AVENUE ON THE WEST, DISTANT NORTHERLY 780 FEET MEASURED AT RIGHT ANGLES FROM THE EASTERLY PROLONGATION OF THE NORTHERLY LINE OF LOT 9 IN BLOCK 72 OF TRACT NO 4983, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 58 PAGES 80, ET SEQ., OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID LOS ANGELES COUNTY, AS DESCRIBED IN THAT CERTAIN DEED TO THE UNITED STATES OF AMERICA, RECORDED AS DOCUMENT NO 1720 IN BOOK 40472 PAGE 23 OF OFFICIAL RECORDS, OF SAID LOS ANGELES COUNTY, THENCE WESTERLY ALONG THE LINE DESCRIBED IN PARCEL "A" OF SAID DEED RECORDED IN BOOK 40472 PAGE 23, OFFICIAL RECORDS, PARALLEL WITH THE NORTH LINE OF SAID LOT 9 AND ITS PROLONGATIONS, 1050 FEET, THENCE SOUTH 0 DEGREES 02 MINUTES 40 SECONDS EAST ALONG THE LINE DESCRIBED IN SAID PARCEL "A", 780 FEET; THENCE NORTH 89 DEGREES 59 MINUTES 31 SECONDS WEST ALONG THE LINE DESCRIBED IN SAID PARCEL "A" 1887 60 FEET TO THE EASTERLY LINE OF WESTERN AVENUE, 80 FEET WIDE, AS SHOWN ON RIGHT-OF-WAY, FILED IN BOOK 52 PAGE 47 OF RECORD OF SURVEYS OF SAID LOS ANGELES COUNTY; THENCE NORTH 0 DEGREES 22 MINUTES 04 SECONDS WEST 1230.35 FEET ALONG SAID EASTERLY LINE OF WESTERN AVENUE TO THE SOUTHWESTERN TERMINUS OF THAT CERTAIN COURSE DESCRIBED IN PARCEL NO 1 OF THE QUITCLAIM DEED OF HARVEY ALUMINUM, INC , RECORDED IN BOOK D-586 PAGE 796, OFFICIAL RECORDS OF SAID LOS ANGELES COUNTY, HAVING A BEARING OF SOUTH 89 DEGREES 37 MINUTES 56 SECONDS WEST AND A DISTANCE OF 10 00 FEET, THENCE NORTH 89 DEGREES 37 MINUTES 56 SECONDS EAST 10 00 FEET, THENCE CONTINUING ALONG THE LINE DESCRIBED IN PARCEL NO 1 OF SAID DEED, RECORDED IN BOOK D-586 PAGE 796 OF SAID OFFICIAL RECORDS, SOUTH 0 DEGREES 22 MINUTES 04 SECONDS EAST 172 51 FEET; THENCE NORTH 89 DEGREES 37 MINUTES 56 SECONDS EAST 6 55 FEET, THENCE SOUTH 0 DEGREES 22 MINUTES 04 SECONDS EAST 84 12 FEET, THENCE SOUTH 45 DEGREES 11 MINUTES 14 SECONDS EAST 158 41 FEET; THENCE NORTH 89 DEGREES 59 MINUTES 41 SECONDS EAST 960 03 FEET TO THE SOUTHWEST CORNER OF PARCEL 2 OF SAID QUITCLAIM DEED, RECORDED IN BOOK D-586 PAGE 796, OFFICIAL RECORDS, THENCE NORTH 89 DEGREES 58 MINUTES 11 SECONDS EAST ALONG THE SOUTHERLY LINE OF SAID PARCEL NO. 2, 33.60 FEET, THENCE ALONG THE EASTERLY LINE OF SAID PARCEL NO 2, NORTH 0 DEGREES 02 MINUTES 12 SECONDS WEST 2731 90 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF

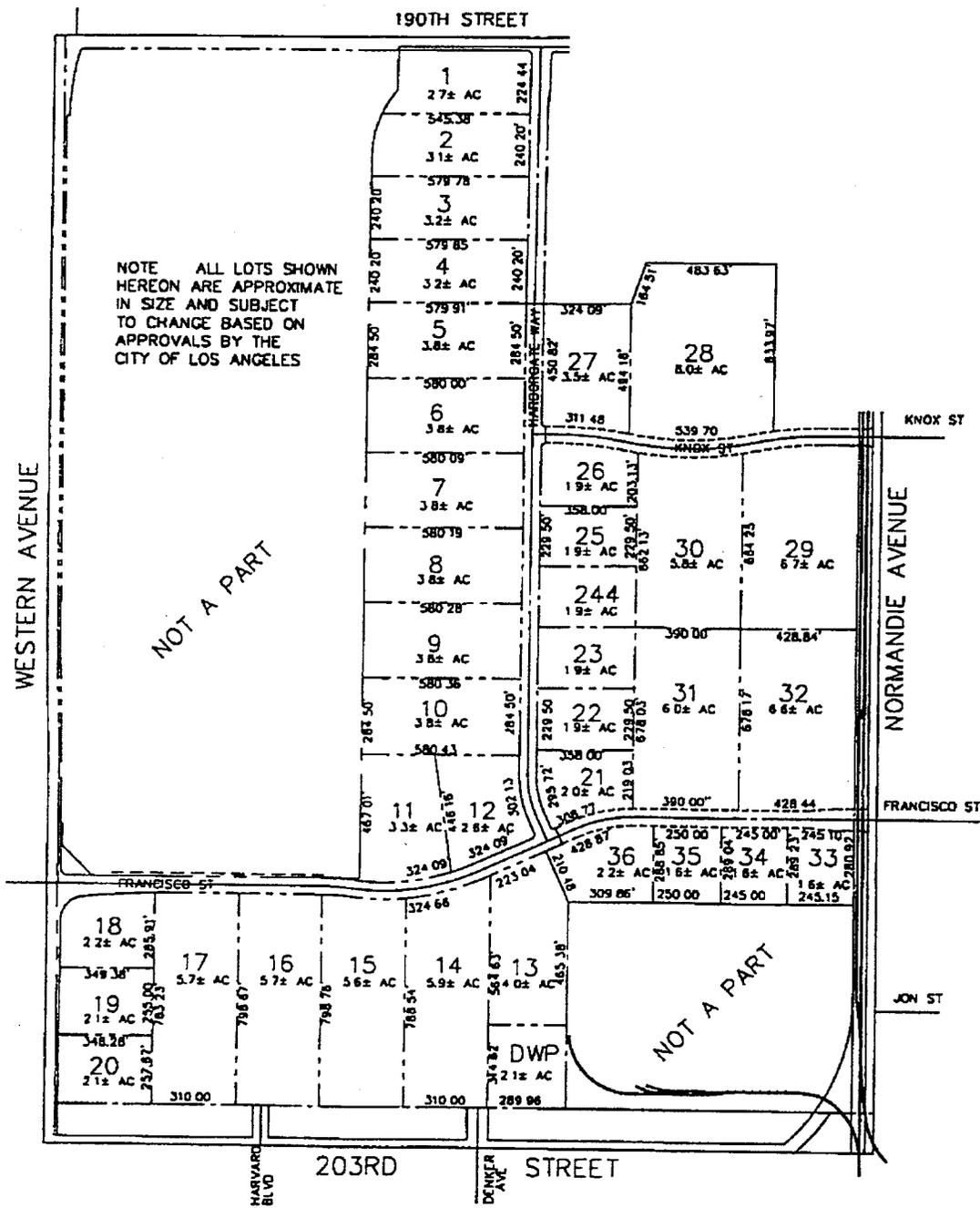
403.00 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 39 DEGREES 15 MINUTES 34 SECONDS, A DISTANCE OF 276.14 FEET TO A POINT, A RADIAL THROUGH SAID POINT BEARS NORTH 50 DEGREES 56 MINUTES 38 SECONDS WEST, THENCE LEAVING SAID CURVE, NORTH 0 DEGREES 02 MINUTES 44 SECONDS WEST 161.13 FEET TO A POINT IN THE SOUTHERLY LINE OF 190TH STREET, 66 FEET WIDE, AS SHOWN IN BOOK 52 PAGE 47 OF RECORD OF SURVEYS OF SAID LOS ANGELES COUNTY, SAID POINT BEING THE NORTHEASTERLY CORNER OF PARCEL NO 2 OF SAID QUITCLAIM DEED, RECORDED IN BOOK D-586 PAGE 796, OFFICIAL RECORDS, THENCE ALONG THE SOUTHERLY LINE OF 190TH STREET, NORTH 89 DEGREES 56 MINUTES 46 SECONDS EAST 1729 56 FEET TO AN INTERSECTION WITH THE WESTERLY LINE OF SAID FIRST-MENTIONED 50-FOOT RIGHT-OF-WAY OF THE PACIFIC ELECTRIC RAILWAY COMPANY; THENCE ALONG SAID WESTERLY LINE OF SAID 50-FOOT RIGHT-OF-WAY, SOUTH 0 DEGREES 02 MINUTES 40 SECONDS EAST 3232 35 FEET TO THE POINT OF BEGINNING

EXHIBIT "B"



HARBOR GATEWAY CENTER

VESTING TRACT NO. 52172



SP3289\EXHIBITS\EX-B DWG 6/11/99 1030 PST

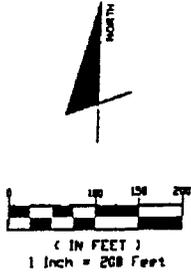
EXHIBIT "B-1"

THAT PORTION OF RANCHO SAN PEDRO, IN THE CITY OF LOS ANGELES,
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS

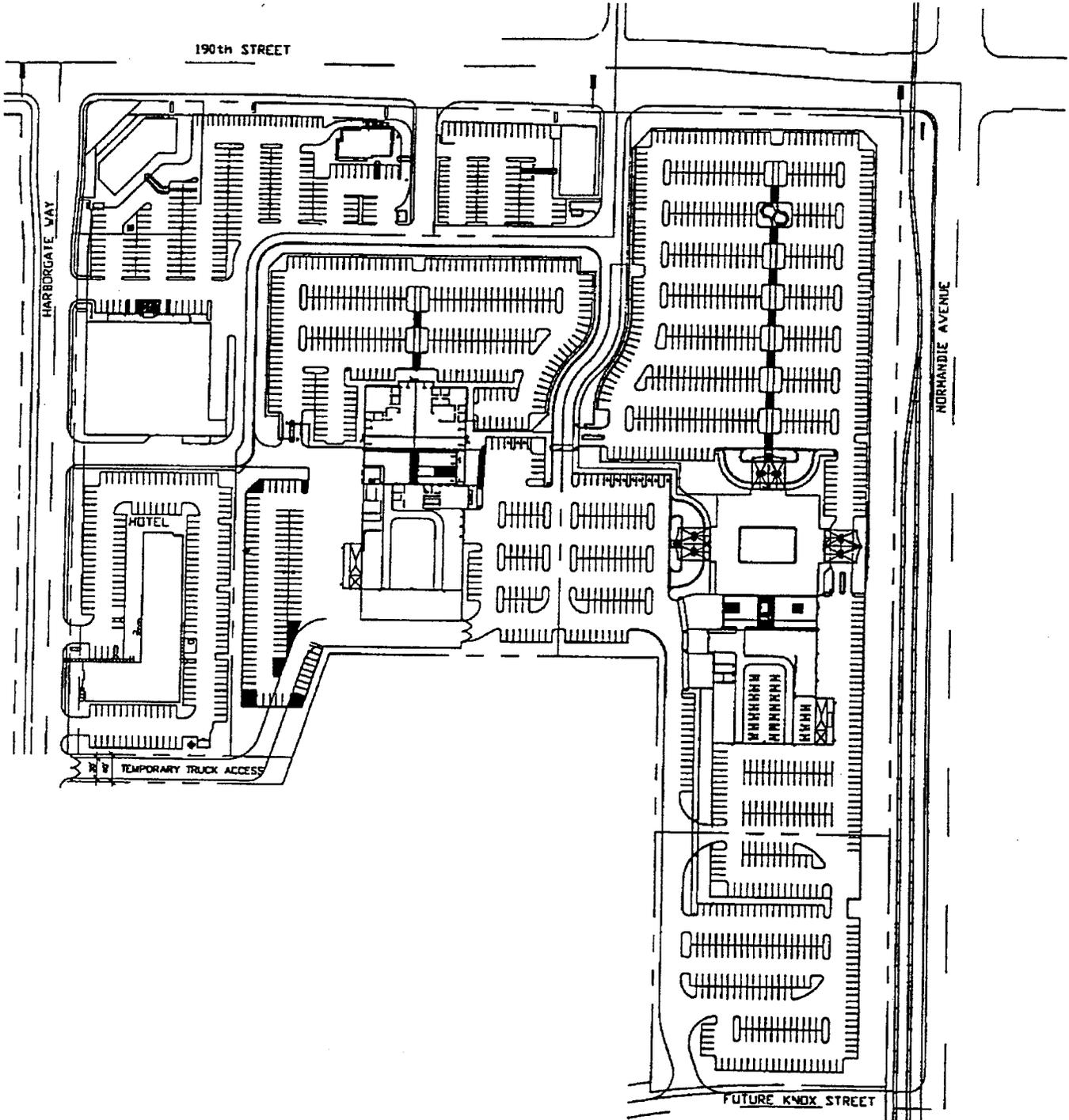
BEGINNING AT A POINT IN THE WEST LINE OF THE 50-FOOT RIGHT-OF-WAY OF THE PACIFIC ELECTRIC RAILWAY COMPANY ADJOINING NORMANDIE AVENUE ON THE WEST, DISTANT NORTHERLY 780 FEET MEASURED AT RIGHT ANGLES FROM THE EASTERLY PROLONGATION OF THE NORTHERLY LINE OF LOT 9 IN BLOCK 72 OF TRACT NO 4983, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 58 PAGES 80, ET SEQ., OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID LOS ANGELES COUNTY, AS DESCRIBED IN THAT CERTAIN DEED TO THE UNITED STATES OF AMERICA, RECORDED AS DOCUMENT NO 1720 IN BOOK 40472 PAGE 23 OF OFFICIAL RECORDS, OF SAID LOS ANGELES COUNTY, THENCE WESTERLY ALONG THE LINE DESCRIBED IN PARCEL "A" OF SAID DEED RECORDED IN BOOK 40472 PAGE 23, OFFICIAL RECORDS, PARALLEL WITH THE NORTH LINE OF SAID LOT 9 AND ITS PROLONGATIONS, 1050 FEET, THENCE SOUTH 0 DEGREES 02 MINUTES 40 SECONDS EAST ALONG THE LINE DESCRIBED IN SAID PARCEL "A", 780 FEET, THENCE NORTH 89 DEGREES 59 MINUTES 31 SECONDS WEST ALONG THE LINE DESCRIBED IN SAID PARCEL "A" 1887 60 FEET TO THE EASTERLY LINE OF WESTERN AVENUE, 80 FEET WIDE, AS SHOWN ON RIGHT-OF-WAY, FILED IN BOOK 52 PAGE 47 OF RECORD OF SURVEYS OF SAID LOS ANGELES COUNTY; THENCE NORTH 0 DEGREES 22 MINUTES 04 SECONDS WEST 1230 35 FEET ALONG SAID EASTERLY LINE OF WESTERN AVENUE TO THE SOUTHWESTERN TERMINUS OF THAT CERTAIN COURSE DESCRIBED IN PARCEL NO. 1 OF THE QUITCLAIM DEED OF HARVEY ALUMINUM, INC., RECORDED IN BOOK D-586 PAGE 796, OFFICIAL RECORDS OF SAID LOS ANGELES COUNTY, HAVING A BEARING OF SOUTH 89 DEGREES 37 MINUTES 56 SECONDS WEST AND A DISTANCE OF 10 00 FEET, THENCE NORTH 89 DEGREES 37 MINUTES 56 SECONDS EAST 10.00 FEET, THENCE CONTINUING ALONG THE LINE DESCRIBED IN PARCEL NO 1 OF SAID DEED, RECORDED IN BOOK D-586 PAGE 796 OF SAID OFFICIAL RECORDS, SOUTH 0 DEGREES 22 MINUTES 04 SECONDS EAST 172 51 FEET, THENCE NORTH 89 DEGREES 37 MINUTES 56 SECONDS EAST 6 55 FEET, THENCE SOUTH 0 DEGREES 22 MINUTES 04 SECONDS EAST 84.12 FEET; THENCE SOUTH 45 DEGREES 11 MINUTES 14 SECONDS EAST 158.41 FEET; THENCE NORTH 89 DEGREES 59 MINUTES 41 SECONDS EAST 960 03 FEET TO THE SOUTHWEST CORNER OF PARCEL 2 OF SAID QUITCLAIM DEED, RECORDED IN BOOK D-586 PAGE 796, OFFICIAL RECORDS, THENCE NORTH 89 DEGREES 58 MINUTES 11 SECONDS EAST ALONG THE SOUTHERLY LINE OF SAID PARCEL NO 2, 33 60 FEET, THENCE ALONG THE EASTERLY LINE OF SAID PARCEL NO. 2, NORTH 0

DEGREES 02 MINUTES 12 SECONDS WEST 2731 90 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 403.00 FEET, THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 39 DEGREES 15 MINUTES 34 SECONDS, A DISTANCE OF 276 14 FEET TO A POINT, A RADIAL THROUGH SAID POINT BEARS NORTH 50 DEGREES 56 MINUTES 38 SECONDS WEST, THENCE LEAVING SAID CURVE, NORTH 0 DEGREES 02 MINUTES 44 SECONDS WEST 161 13 FEET TO A POINT IN THE SOUTHERLY LINE OF 190TH STREET, 66 FEET WIDE, AS SHOWN IN BOOK 52 PAGE 47 OF RECORD OF SURVEYS OF SAID LOS ANGELES COUNTY, SAID POINT BEING THE NORTHEASTERLY CORNER OF PARCEL NO 2 OF SAID QUITCLAIM DEED, RECORDED IN BOOK D-586 PAGE 796, OFFICIAL RECORDS, THENCE ALONG THE SOUTHERLY LINE OF 190TH STREET, NORTH 89 DEGREES 56 MINUTES 46 SECONDS EAST 1729 56 FEET TO AN INTERSECTION WITH THE WESTERLY LINE OF SAID FIRST-MENTIONED 50-FOOT RIGHT-OF-WAY OF THE PACIFIC ELECTRIC RAILWAY COMPANY; THENCE ALONG SAID WESTERLY LINE OF SAID 50-FOOT RIGHT-OF-WAY, SOUTH 0 DEGREES 02 MINUTES 40 SECONDS EAST 3232.35 FEET TO THE POINT OF BEGINNING

EXCEPTING THEREFROM TRACT 52172-01 IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO A MAP THEREOF FILED IN BOOK 1233, PAGES 79 THROUGH 83 OF MAPS, RECORDS OF SAID COUNTY



HARBOR GATEWAY CENTER



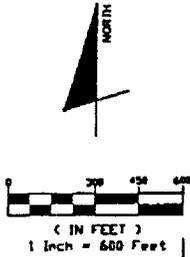
SP3289\EXHIBITS\EX-B-2 DWG 6/11/99 1030 PST

EXHIBIT "C"
COMMON AREA INDEX

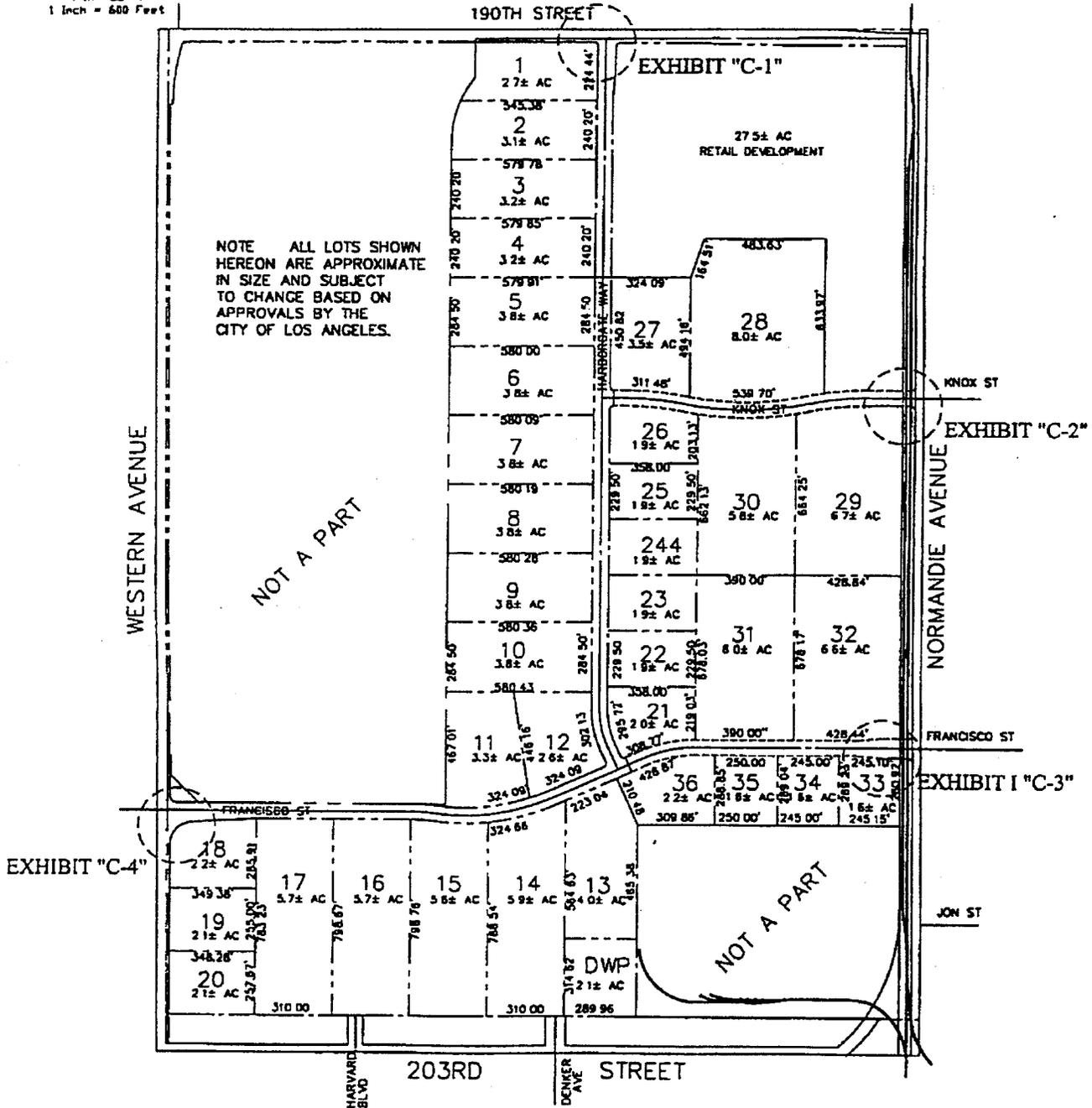


HARBOR GATEWAY
CENTER

VESTING TRACT NO. 52172



(IN FEET)
1 Inch = 600 Feet



SP3289\EXHIBITS\EXHIBIT21.DWG 6/16/99 1530 PST

EXHIBIT "C-1"

SW CORNER OF 190TH STREET AND HARBORGATE WAY

67

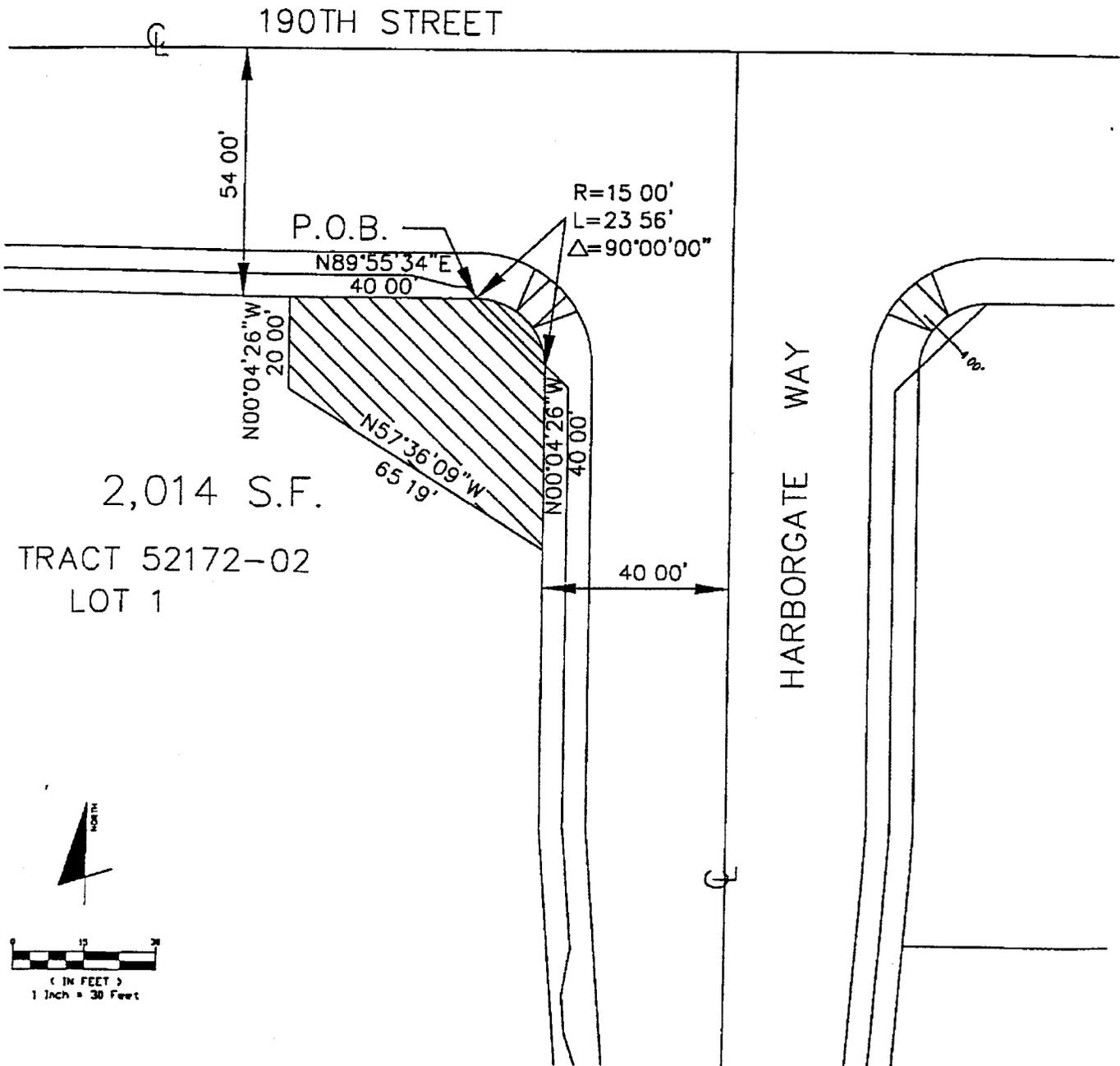


EXHIBIT22ABCD DWG "A" 6/11/99 4 30 PM PST

LEGAL DESCRIPTION
FOR
EXHIBIT "C-1"

SW CORNER OF 190TH STREET AND HARBORGATE WAY

BEING A PORTION OF LOT 1 OF TRACT NO 52172-02 IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA ACCORDING TO A MAP THEREOF, RECORDED JUNE 2, 1999 AS INSTRUMENT NO 99-1001478 IN BOOK 1238 PAGES 17 TO 22 OF MAPS, SAID PORTION BEING FURTHER DESCRIBED AS FOLLOWS.

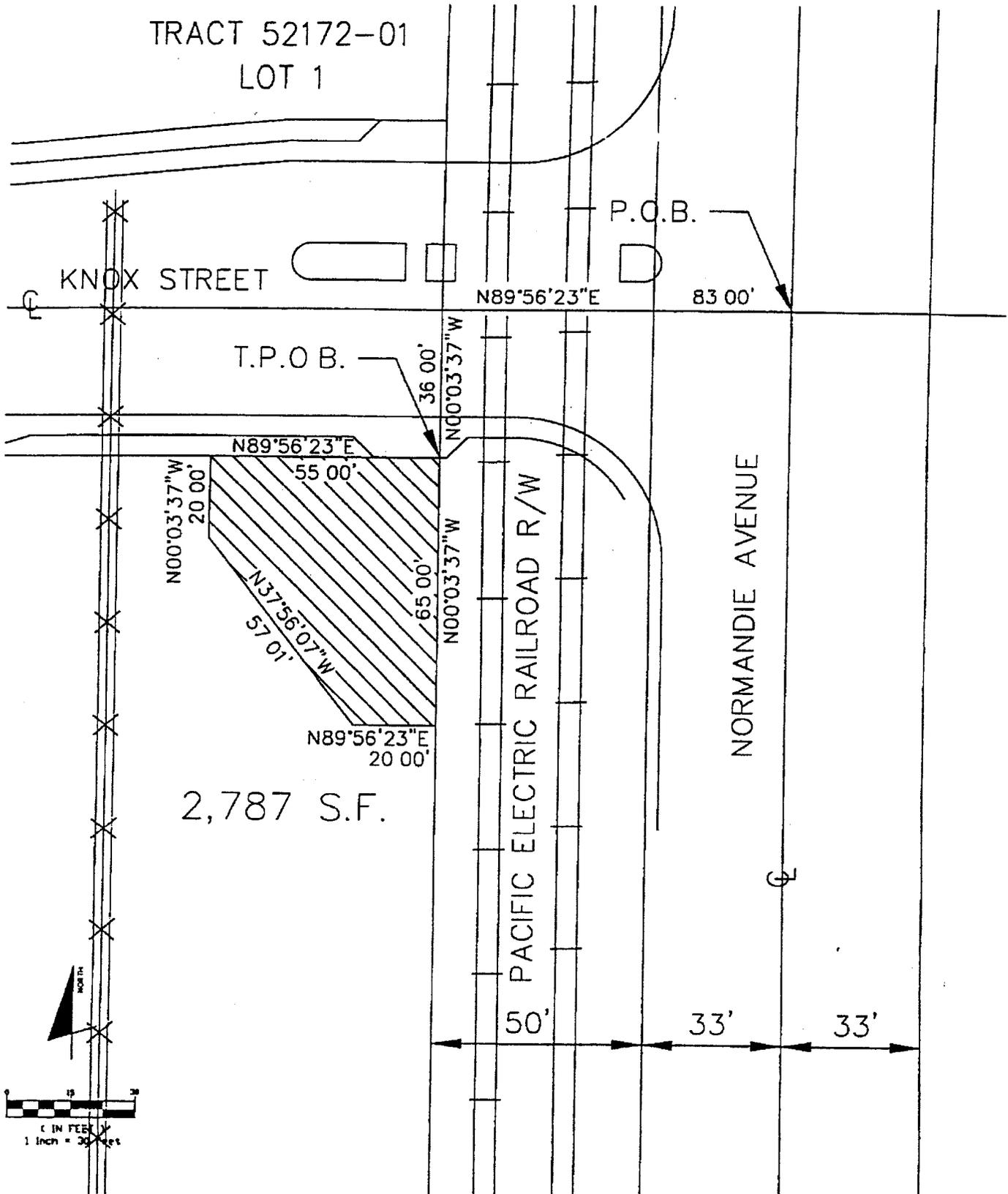
BEGINNING AT THE EASTERLY TERMINUS OF THAT CERTAIN COURSE IN THE NORTH LINE OF SAID LOT 1, SHOWN AS N89°55'34"E 48 44' ON SAID MAP, THENCE SOUTH 89°55'34" WEST 40.00 FEET; THENCE SOUTH 00°04'26" EAST 20 00 FEET, THENCE SOUTH 57°36'09" EAST 65 19 FEET TO THE WESTERLY LINE OF HARBORGATE WAY; THENCE ALONG SAID WESTERLY LINE OF SAID HARBORGATE WAY NORTH 00°04'26" WEST 40 00 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 15 00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 90°00'00", AN ARC LENGTH OF 23 56 FEET TO THE POINT OF BEGINNING

THE AREA CONTAINED WITHIN THE ABOVE DESCRIBED PROPERTY IS APPROXIMATELY 2,014 SQUARE FEET.

EXHIBIT "C-2"

69

SW CORNER OF NORMANDIE AVENUE AND KNOX STREET



Description: Los Angeles, CA Document-Year.DocID 1999.1483487 Page: 69 of 77
Order: 7541 Comment:

EXHIBIT22ABCD DWG "B" 6/11/99 4 30 PM PST

LEGAL DESCRIPTION
FOR
EXHIBIT "C-2"

SW CORNER OF NORMANDIE AVENUE AND KNOX STREET

BEING A PORTION OF THE 638.94 ACRE ALLOTMENT OF MARIA DE LOS REYES DOMINQUEZ, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP OF PARTITION OF THE RANCHO SAN PEDRO, FILED IN CASE NO 3284 OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF LOS ANGELES, SAID MAP BEING FILED AS CLERK'S FILED MAP NO. 145 IN THE OFFICE OF THE COUNTY ENGINEER OF SAID COUNTY, SAID PORTION BEING FURTHER DESCRIBED AS FOLLOWS:

BEGINNING AT THE CENTERLINE INTERSECTION OF NORMANDIE AVENUE AND KNOX STREET AS SHOWN ON TRACT NO. 52172-01 RECORDED DECEMBER 24, 1998 AS INSTRUMENT NO 98-2335376 IN BOOK 1233 PAGES 79 TO 83, OF MAPS, THENCE SOUTH 89°56'23" WEST ALONG SAID CENTERLINE 83 00 FEET TO THE WESTERLY LINE OF THE PACIFIC ELECTRIC RAILROAD RIGHT OF WAY, 50 FEET WIDE, AS SHOWN ON SAID TRACT NO 52172-01; THENCE ALONG SAID WESTERLY LINE SOUTH 00°03'37" EAST 36 00 FEET TO THE TRUE POINT OF BEGINNING; THENCE LEAVING SAID WESTERLY LINE SOUTH 89°56'23" WEST ALONG THE FUTURE SOUTH LINE OF KNOX STREET 55 00 FEET; THENCE SOUTH 00°03'37" EAST 20 00 FEET, THENCE SOUTH 37°56'07" EAST 57 01 FEET, THENCE NORTH 89°56'23" EAST 20 00 TO A POINT IN SAID WESTERLY LINE OF SAID PACIFIC ELECTRIC RAILROAD RIGHT OF WAY, THENCE ALONG SAID WESTERLY LINE NORTH 00°03'37" WEST 65 00 FEET TO THE TRUE POINT OF BEGINNING

THE AREA CONTAINED WITHIN THE ABOVE DESCRIBED PROPERTY IS APPROXIMATELY 2,787 SQUARE FEET

EXHIBIT "C-3"

71

SW CORNER OF NORMANDIE AVENUE AND FRANCISCO STREET

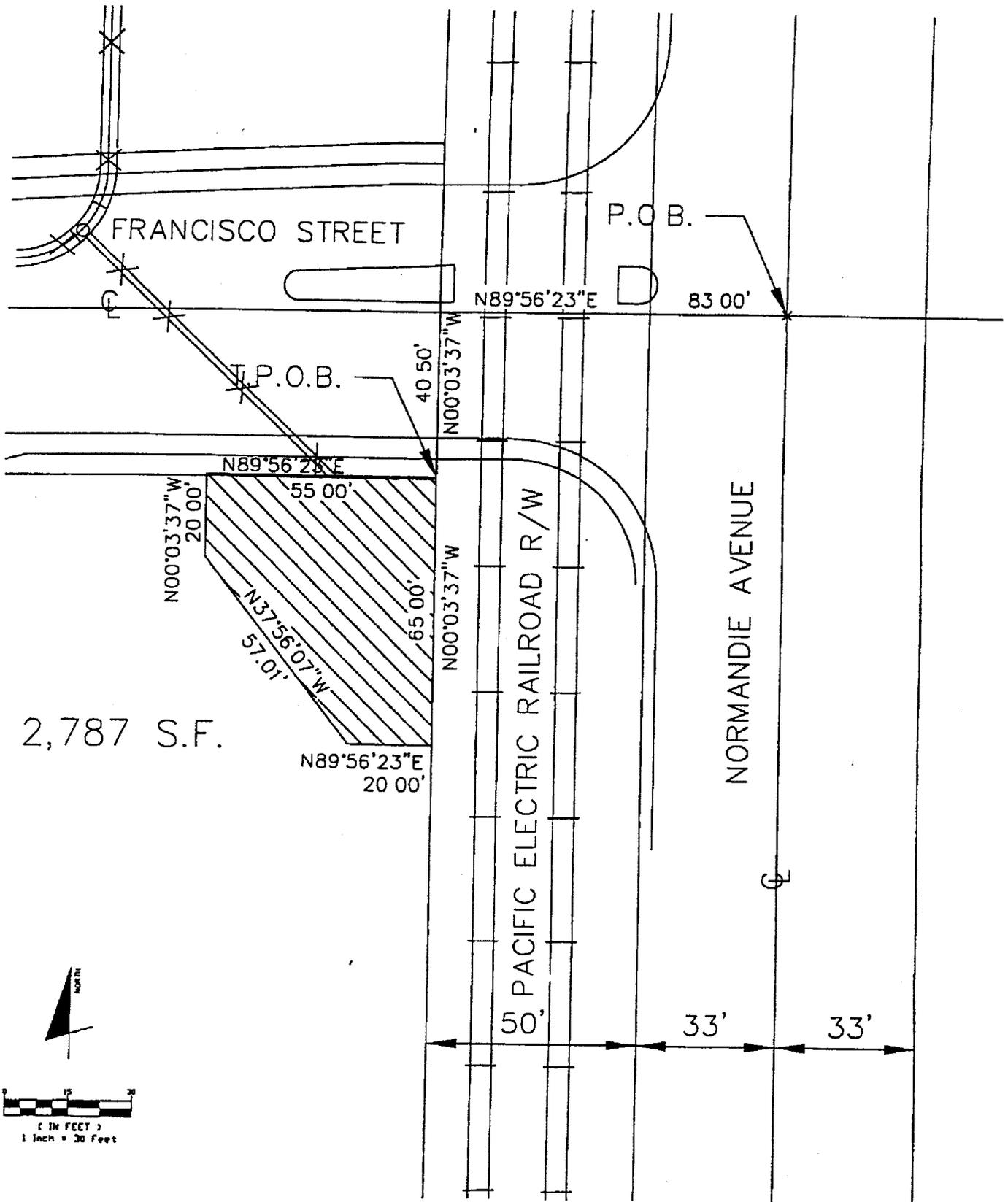


EXHIBIT22ABCD DWG "C" 6/11/99 4 30 PM PST

Description: Los Angeles, CA Document-Year.DocID 1999.1483487 Page: 71 of 77
Order: 7541 Comment:

LEGAL DESCRIPTION
FOR
EXHIBIT "C-3"

SW CORNER OF NORMANDIE AVENUE AND FRANCISCO STREET

BEING A PORTION OF THE 639 07 ACRE ALLOTMENT OF QUADALUPE MARCELINA DOMINQUEZ, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP OF PARTITION OF THE RANCHO SAN PEDRO, FILED IN CASE NO. 3284 OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF LOS ANGELES, SAID MAP BEING FILED AS CLERK'S FILED MAP NO. 145 IN THE OFFICE OF THE COUNTY ENGINEER OF SAID COUNTY, SAID PORTION BEING FURTHER DESCRIBED AS FOLLOWS

BEGINNING AT THE CENTERLINE INTERSECTION OF NORMANDIE AVENUE AND FRANCISCO STREET AS SHOWN ON TRACT NO. 52172-01 RECORDED DECEMBER 24, 1998 AS INSTRUMENT NO 98-2335376 IN BOOK 1233 PAGES 79 TO 83, OF MAPS; THENCE SOUTH 89°56'23" WEST ALONG SAID CENTERLINE 83 00 FEET TO THE WESTERLY LINE OF THE PACIFIC ELECTRIC RAILROAD RIGHT OF WAY, 50 FEET WIDE, AS SHOWN ON SAID TRACT NO 52172-01, THENCE ALONG SAID WESTERLY LINE SOUTH 00°03'37" EAST 40 50 FEET TO THE TRUE POINT OF BEGINNING; THENCE LEAVING SAID WESTERLY LINE SOUTH 89°56'23" WEST ALONG THE FUTURE SOUTH LINE OF FRANCISCO STREET 55 00 FEET, THENCE SOUTH 00°03'37" EAST 20 00 FEET, THENCE SOUTH 37°56'07" EAST 57 01 FEET; THENCE NORTH 89°56'23" EAST 20 00 TO A POINT IN SAID WESTERLY LINE OF SAID PACIFIC ELECTRIC RAILROAD RIGHT OF WAY; THENCE ALONG SAID WESTERLY LINE NORTH 00°03'37" WEST 65 00 FEET TO THE TRUE POINT OF BEGINNING

THE AREA CONTAINED WITHIN THE ABOVE DESCRIBED PROPERTY IS APPROXIMATELY 2,787 SQUARE FEET.

LEGAL DESCRIPTION
FOR
EXHIBIT "C-4"

SE CORNER OF WESTERN AVENUE AND FRANCISCO STREET

BEING A PORTION OF LOT 18 OF TRACT NO 52172-02 IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA ACCORDING TO A MAP THEREOF, RECORDED JUNE 2, 1999 AS INSTRUMENT NO. 99-1001478 IN BOOK 1238 PAGES 17 TO 22 OF MAPS, SAID PORTION BEING FURTHER DESCRIBED AS FOLLOWS

BEGINNING AT A POINT IN THE NORTHWESTERLY LINE OF SAID LOT 18 BEING A TANGENT CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 90 00 FEET AS SHOWN ON SAID MAP, SAID POINT BEING AN ARC LENGTH OF 31.46 FEET AND CENTRAL ANGLE OF 20°01'47" WESTERLY OF, THE EASTERLY TERMINUS OF SAID TANGENT CURVE AS SHOWN AND MEASURED THEREON, THENCE CONTINUING SOUTHWESTERLY ALONG SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF 46°49'40", AN ARC LENGTH OF 73 56 FEET, THENCE LEAVING SAID TANGENT CURVE SOUTH 70°21'22" EAST 27.09 FEET, THENCE NORTH 43°03'22" EAST 50 00 FEET, THENCE NORTH 23°31'42" WEST 27 09 FEET TO THE POINT OF BEGINNING.

THE AREA CONTAINED WITHIN THE ABOVE DESCRIBED PROPERTY IS APPROXIMATELY 1,867 SQUARE FEET

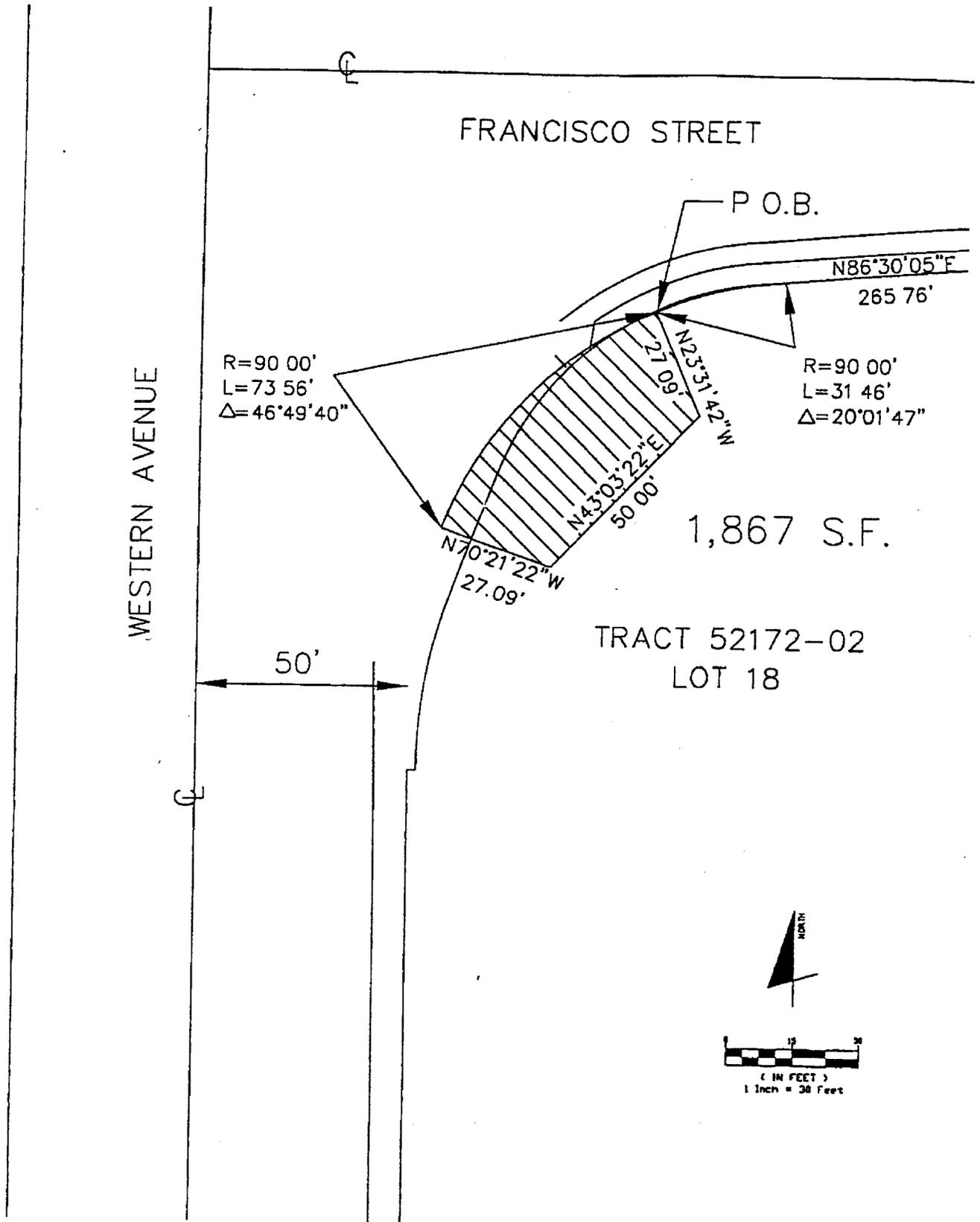


EXHIBIT22ABCD DWG "D" 6/11/99 4:30 PM PST

LEGAL DESCRIPTION
FOR
EXHIBIT "D"

NE CORNER OF WESTERN AVENUE AND NORTH SIDE OF FRANCISCO STREET

BEING A PORTION OF LOT 11 AND FRANCISCO STREET OF TRACT NO. 52172-02 IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA ACCORDING TO A MAP THEREOF, RECORDED JUNE 2, 1999 AS INSTRUMENT NO. 99-1001478 IN BOOK 1238 PAGES 17 TO 22 OF MAPS, SAID PORTION BEING FURTHER DESCRIBED AS FOLLOWS

BEGINNING AT THE SOUTHEASTERLY CORNER OF PARCEL "A" OF PM LA 2894 RECORDED IN PARCEL MAP BOOK 56, PAGE 51, RECORDS OF SAID COUNTY; THENCE NORTH 89°56'09" WEST ALONG THE SOUTHERLY LINE OF SAID PARCEL "A" 33.60 FEET TO AN ANGLE POINT THEREIN; THENCE SOUTH 89°58'30" WEST 960.03 FEET ALONG SAID SOUTHERLY LINE, AND THE NORTHERLY LINE OF FRANCISCO STREET TO THE SOUTHEAST CORNER OF LOT 21 OF SAID TRACT, THENCE CONTINUING ALONG SAID NORTHERLY LINE SOUTH 89°58'30" WEST 93 37 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 25 00 FEET, THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 89°38'14", AN ARC LENGTH OF 39 11 FEET; THENCE SOUTH 89°36'44" WEST 5 00 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 30 00 FEET, THENCE SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 89°38'14", AN ARC LENGTH OF 46 93 FEET; THENCE NORTH 89°58'30" EAST, PARALLEL TO AND 5 00 FEET SOUTHERLY OF, SAID NORTHERLY LINE OF FRANCISCO STREET, 974 06 FEET TO A TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 427.00 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 08°53'06", AN ARC LENGTH OF 66 22 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 823 00 FEET, THENCE SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 03°17'50", AN ARC LENGTH OF 47 36 FEET, THENCE NORTH 00°03'23" WEST 16 04 FEET TO THE POINT OF BEGINNING

THE AREA CONTAINED WITHIN THE ABOVE DESCRIBED PROPERTY IS APPROXIMATELY 6,153 SQUARE FEET

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6/14/1999

NE CORNER OF WESTERN AVENUE AND NORTH SIDE OF FRANCISCO STREET

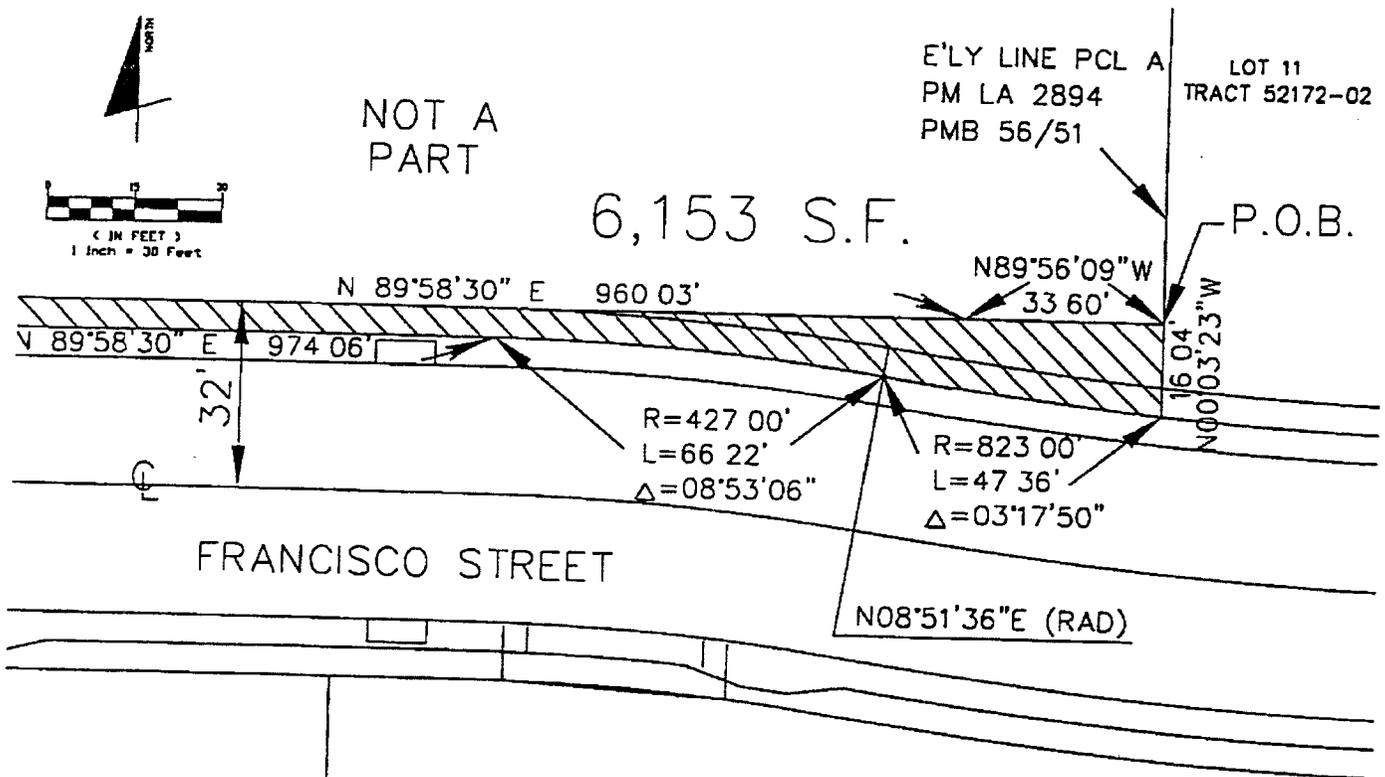
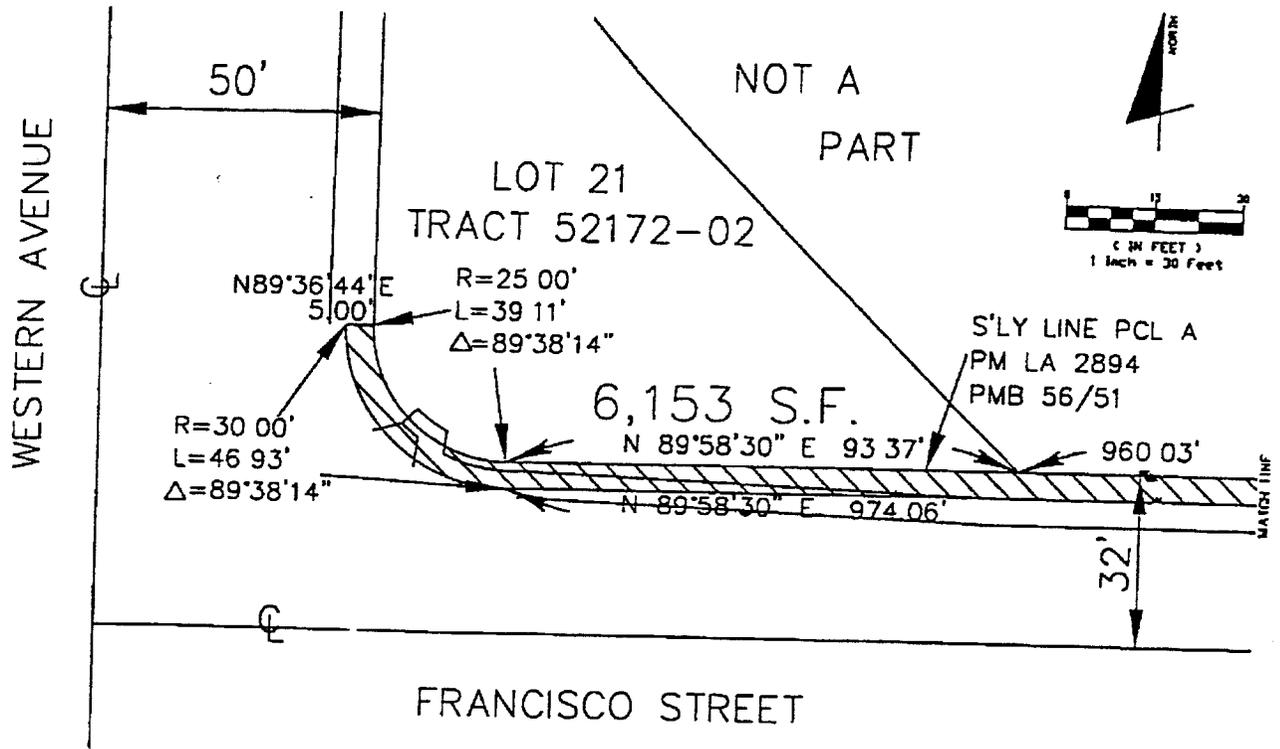


EXHIBIT22ABCD DWG 'E' 6/11/99 4:30 PM PST

Sec. 12.21.1

13 stories in Height District No 4 Basement floors, located entirely below the natural or finished grade of a lot, whichever is lower, shall not be considered in computing the permitted height of parking buildings in the PB Zone (Amended by Ord No 122,569, Eff 9/2/82)

A. Limitations.

1 The total floor area contained in all the main buildings on a lot in a commercial or industrial zone in Height District No 1 shall not exceed one-and-one-half times the buildable area of said lot, for a lot in all other zones, the total floor area contained in all the main buildings on a lot in Height District No. 1 shall not exceed three times the buildable area of said lot

Portions of Height District No 1 may be designated as being in an "L" Limited Height District, and no building or structure in Height District No. 1-L shall exceed six stories, nor shall it exceed 75 feet in height Portions of Height District No 1 may be designated as being in a "VL" Very Limited Height District, and no building or structure in Height District No. 1-VL shall exceed three stories, nor shall it exceed 45 feet in height Portions of Height District No 1 may also be designated as being in an "XL" Extra Limited Height District, and no building or structure in Height District No 1-XL shall exceed two stories, nor shall the highest point of the roof of any building or structure located in such district exceed 30 feet in height

EXCEPTION A building in Height District Nos 1-XL, 1-VL, designed and used entirely for residential purposes, shall be limited as to the number of feet in height, but not as to the number of stories

(Amended by Ord No 163,627, Eff 6/20/88)

2 The total floor area contained in all the buildings on a lot in Height District No 2 shall not exceed six times the buildable area of said lot. (Amended by Ord No 161,684, Eff 11/3/86)

3 The total floor area contained in all the buildings on a lot in Height District No 3 shall not exceed 10 times the buildable area of said lot (Amended by Ord No. 161,684, Eff 11/3/86)

4. The total floor area contained in all the buildings on a lot in Height District No 4 shall not exceed 13 times the buildable area of said lot (Amended by Ord No 161,684, Eff 11/3/86)

5 In computing the total floor area within a building, the gross area confined within the exterior walls within a building shall be considered as the floor area of that floor of the building, except for the space devoted to stairways, elevator shafts, light courts, rooms housing mechanical equipment incidental to the operation of buildings, and outdoor eating areas of ground floor restaurants (Amended by Ord No 165,403, Eff 2/17/80.)

6 Whenever any unusual situation or design of building exists so that it is difficult to determine the precise application of those provisions, the Department of Building and Safety shall make such determinations in a manner to carry out the indicated purpose and intent hereof

7 (Deleted by Ord No 160,657, Eff 2/17/86, Oper 6/17/86)

Sec. 12.21.1 B 3 (a)

equal setback from the roof perimeter is provided, except that stairways, chimneys and ventilation shafts shall not be required to be set back from the roof perimeter No portion of any roof structure as provided for above shall exceed the specified height limit by more than five feet, except that where height is limited to seventy-five (75) feet, roof structures for the housing of elevators and stairways shall not exceed twenty (20) feet in height, and where height is limited to thirty (30) feet or forty-five (45) feet, such roof structures for the housing of elevators and stairways shall not exceed ten (10) feet in height.

(b) No portion of any roof structure as provided for in Paragraph (a) of this subdivision, other than stairways, chimneys or exhaust ducts, shall be located within five (5) feet of the perimeter of the roof, and no such structure or any other space above the specified height limit shall be allowed for the purpose of providing additional floor space

(c) In all zones, except the A, R, CR, C1, and C1 5, a roof sign may also be erected above the specified height limit

(Amended by Ord No 160,657, Eff 2/17/86, Oper. 6/17/86)

4 In all height districts parking floor space with necessary interior driveways and ramps thereto, space within a roof structure or penthouse for the housing of building operating equipment or machinery, space provided for the landing and storage of helicopters and basement storage space shall not be considered in determining the total floor area within a building (Amended by Ord No 146,704, Eff 12/9/74)

5 (Repealed by Ord No 132,319, Eff 6/26/86)

6 Notwithstanding the provisions of Section 12.21.1 A 10, buildings on a lot in a C or M Zone in Height District No 1 shall not be restricted in height as provided by Section 12 21 1 A 10, under either of the following circumstances

(a) Where one or more of the following discretionary approvals, initiated by application by property owners or their representatives, was granted on or after January 1, 1983, and specifically addressed the height for one or more buildings: change of zone, height district change, exception from a geographically specific plan, conditional use, variance, tract map, parcel map or coastal development permit If such approval provided for a specific height, then such restriction shall apply to the buildings and structures on the lot, or

(b) Where architectural and structural plans sufficient for a complete plan check for a building permit for a building or structure were accepted by the Department of Building and Safety and for which a plan check fee was collected on or before the effective date of this subdivision, and for which no subsequent changes are made to those plans which increase the height However, any such building permit shall become invalid if construction pursuant to such permit is not commenced within 18 months of the date the plan check fee was collected

(Amended by Ord No 163,627, Eff 6/20/88)

Exhibit "B"

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